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FY 2006 PRE-DISASTER MITIGATION PROGRAM LIST OF ACRONYMS

ACRONYM	DEFINITION
BCA	Benefit-cost Analysis
BCR	Benefit-cost Ratio
BEA	Bureau of Economic Analysis (Department of Commerce)
CATEX	Categorically Excluded
CDBG	Community Development Block Grant (Department of Housing and Urban Development)
CFDA	Catalog of Federal Domestic Assistance
CFR	Code of Federal Regulations
CRBA	Coastal Resource Barrier Act
CSO	Combined Sewer Overflow (EPA)
CWSRF	Clean Water State Revolving Fund (Environmental Protection Agency)
DHS	Department of Homeland Security
eGrants	Electronic Grants System (FEMA)
ESA	Endangered Species Act
DUNS	Data Universal Numbering System
FEMA	Federal Emergency Management Agency
FHBM	Flood Hazard Boundary Map
FIRM	Flood Insurance Rate Map
FIS	Flood Insurance Study
FY	Fiscal Year
GIS	Geographic Information System
HAZUS	Hazards United States (FEMA)
HHS	Department of Health and Human Services
ICC	Increased Cost of Compliance (NFIP)
NEPA	National Environmental Policy Act
NFIP	National Flood Insurance Program
NHPA	National Historic Preservation Act
NOAA	National Oceanic and Atmospheric Administration
OMB	Office of Management and Budget
PDM	Pre-Disaster Mitigation Program (FEMA)
PDM-C	Pre-Disaster Mitigation Program Competitive (FEMA)
PNP	Private Non-Profit
POC	Point of Contact
SFHA	Special Flood Hazard Area
SOW	Scope of Work
SSO	Sanitary Sewer Overflow (EPA)
USBL	United States Bureau of Labor Statistics
USGS	United States Geological Survey



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FY 2006 PRE-DISASTER MITIGATION PROGRAM OVERVIEW

BACKGROUND

The Pre-Disaster Mitigation (PDM) program will provide funds to states, territories, Indian tribal governments, and communities for hazard mitigation planning and the implementation of mitigation projects prior to a disaster event. Funding these plans and projects reduces overall risks to the population and structures, while also reducing reliance on funding from actual disaster declarations. This is an overview of the fiscal year (FY) 2006 Pre-Disaster Mitigation program.

USES OF FUNDS

Funds: PDM grants are awarded on a competitive basis and without reference to state allocations, quotas, or other formula-based allocation(s) of funds. Up to \$150 million may be available for competitive grants, technical assistance, and program support for the FY 2006 PDM program. Availability of PDM funds is dependent upon Congressional appropriation, expected by October 1, 2005, and reauthorization of the program, expected by December 31, 2005. The amount of available funds will be posted on the FEMA website: www.fema.gov/fima/pdm.

Eligible Activities:

- Mitigation planning: \$1M cap on Federal share, not to exceed 3 years
- Mitigation projects: \$3M cap on Federal share, not to exceed 3 years
- Information dissemination activities: not to exceed 10%, must directly relate to planning or project sub-application
- Applicant management costs: not to exceed 10%
- Sub-applicant management costs: not to exceed 5%

Cost-share: At least 25% non-Federal cost share. Small, impoverished communities may be eligible for up to a 90% Federal cost-share.

KEY POINTS

Ineligible Project Activities:

- Major flood control projects
- Water quality infrastructure projects
- Projects that address ecological issues related to land and forest management
- Warning and alert notification systems
- Phased or partial projects
- Studies that do not result in a project (*e.g.*, engineering designs, feasibility studies, or drainage studies that are not integral to a proposed project)
- Flood studies or flood mapping
- Dry floodproofing of residential structures
- Generators for non-critical facilities
- Demolition/rebuild projects
- Projects that solely address a manmade hazard
- Response and communication equipment
- Projects that solely address maintenance or repairs of existing structures, facilities, or infrastructure (*e.g.*, dredging and removal)
- Localized flood control projects that do not protect a critical facility
- Any project for which another Federal agency has primary authority

Planning Activities:

Eligibility for a project grant is dependent on the Applicant and Sub-applicant having a FEMA-approved hazard mitigation plan by the last date of National Evaluation. The outcome of a mitigation planning sub-grant award must be a FEMA-approved hazard mitigation plan that complies with the requirements of 44 CFR Part 201. The planning grant deliverable can be a new hazard mitigation plan, an upgrade of an existing FEMA approved hazard mitigation plan or an update of an already FEMA-approved hazard mitigation plan.

ELIGIBILITY REQUIREMENTS

Applicant Eligibility: Only the state emergency management agencies or a similar office (*i.e.*, the office that has emergency management responsibility) of the state, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, as well as Federally-recognized Indian tribal governments are eligible to apply to FEMA for assistance as Applicants under this program. Each state, territory, or Indian tribal government shall designate one Agency to serve as the Applicant for this program.

Sub-applicant Eligibility: The following entities are eligible to apply to the Applicant for assistance: state-level agencies including state institutions (*e.g.*, state hospital or university); Federally-recognized Indian tribal governments; local governments, including state-recognized Indian tribes, authorized Indian tribal organizations, and Alaska Native villages; public colleges and universities; and Indian tribal colleges and universities. Private non-profit (PNP) organizations and private colleges and universities are not eligible Sub-applicants; however, an eligible, relevant state agency or local government may apply to the Applicant as the Sub-applicant for assistance to benefit the private entity.

KEY POINTS

NFIP Participation: All Applicants and Sub-applicants must be participating in the National Flood Insurance Program (NFIP) if they have been identified through the NFIP as having a Special Flood Hazard Area (a Flood Hazard Boundary Map (FHBM) or Flood Insurance Rate Map (FIRM) has been issued). In addition, the Applicant/Sub-applicant must not be on probation, suspended or withdrawn from the NFIP. Applicants/Sub-applicants that are not mapped under the NFIP are eligible.

Mitigation Plan Requirement: In order to receive project grants, all Applicants MUST have a FEMA-approved State/Tribal Standard or Enhanced hazard mitigation plan by the last day of National Evaluation to be eligible to receive project grant funding under the PDM program in accordance with 44 CFR Part 201. In addition, all Sub-applicants MUST have a FEMA-approved hazard mitigation plan by the last day of National Evaluation to be eligible to receive project grant funding under the PDM program. PDM planning grants will continue to be available to Applicants and Sub-applicants that do not have a FEMA-approved hazard mitigation plan to enable them to meet the planning requirements.

APPLICATION PROCESS

Application Process: FEMA requires Applicants to use the electronic grant (*eGrants*) management system. Only PDM grant applications submitted through the *eGrants* system will be accepted. If a Sub-applicant does not use the *eGrants* system, the Applicant MUST enter the Sub-applicant's paper sub-application(s) into the *eGrants* system on their behalf using the Paper Sub-application Intake function. Paper planning and project sub-applications that follow the *eGrants* format are available in the *eGrants* system for Sub-applicants to use. Applicants MUST provide an original and two copies of any paper supporting documentation that cannot be electronically attached to the *eGrants* application (*e.g.*, engineering drawings, photos, maps).

Benefit-Cost Analysis: A Benefit-Cost Analysis (BCA) is required for all mitigation project sub-applications and must be completed by Applicants/Sub-applicants. A BCA will be required for all properties, including substantially damaged structures. The pilot alternate determination of cost-effectiveness may be used for certain insured NFIP repetitive flood loss properties.

Technical Assistance: FEMA will provide technical assistance by answering general questions about the PDM program, as well as providing general technical assistance related to project engineering feasibility, Benefit-Cost Analysis, and Environmental/Historic Preservation compliance. However, in no case will technical assistance involve conducting a Benefit-Cost Analysis, or reviewing project-specific information for completeness or technical feasibility.

KEY POINTS

Application Period: When the application period officially opens, FEMA will post an announcement on the PDM web page: <http://www.fema.gov/fima/pdm>. Applicants must submit a grant application to the appropriate FEMA Regional Office by January 16, 2006, at 11:59:59 p.m. Eastern Standard Time.

FY 2006 PDM Guidance: FY 2006 PDM guidance document and additional guidance materials, such as a model planning scope of work, Benefit-Cost Analysis Guidelines, and engineering case studies, are available on the FEMA web page: <http://www.fema.gov/fima/pdm> or from the FEMA Regional Office.

eGrants: After the application period is officially opened, FEMA will provide technical assistance regarding the *eGrants* system through the *eGrants* Helpdesk: 1-866-476-0544 or mtegrants@dhs.gov.

Project Technical Assistance Helplines: Technical assistance for engineering feasibility, Benefit-Cost Analysis, and Environmental/ Historic Preservation compliance is available through the Technical Assistance Helpline: 1-866-222-3580 or enghelpline@urscorp.com, bchelpine@urscorp.com, and ehhelpline@urscorp.com.

APPLICATION REVIEW	KEY POINTS
<p>Application Review: FEMA will review all applications to ensure the following:</p> <ul style="list-style-type: none"> Eligibility of the Applicant/Sub-applicant Eligibility of proposed planning activities and costs Completeness of the sub-application Consistency of the proposed planning activity with the goals and objectives of the Applicant's State/Tribal hazard mitigation plan Adequacy of the justification for the proposed planning activity if the Sub-applicant already has a FEMA-approved hazard mitigation plan or has already received a planning grant Completeness of Scope of Work Completeness of the Cost Estimate and consistency with the Scope of Work Eligibility and availability of non-Federal cost share Complete responses to Evaluation Information section questions for National Ranking and Evaluation, including the assessment of the frequency and severity of hazards. <p>Technical Review: FEMA will conduct the following technical reviews of project sub-applications:</p> <ul style="list-style-type: none"> Engineering Feasibility Benefit-Cost Analysis Environmental/Historic Preservation 	<p>Elimination Criteria:</p> <ul style="list-style-type: none"> Ineligible Applicant/Sub-applicant Applicant/Sub-applicant mapped through the NFIP, but not participating or not in good standing in the NFIP Incomplete application Ineligible activities Mitigation projects from Applicants/Sub-applicants that do not have approved hazard mitigation plans Mitigation projects that are determined not to be feasible and/or effective at solving the problem for which they were designed Mitigation projects with a Benefit-Cost Ratio less than 1.0 Mitigation projects without a BCA or with inadequately documented BCA Missing cost-share funding <p>Sub-applications that do not satisfy the eligibility and completeness requirements will be removed from further consideration and will not be selected for further review.</p>
RANKING PROCESS	KEY POINTS
<p>National Ranking: FEMA will score all eligible planning and project sub-applications on the basis of predetermined, objective, quantitative factors to calculate a National Ranking Score. National Ranking factors are:</p> <ul style="list-style-type: none"> The priority given to the sub-application by the Applicant in their PDM grant application Assessment of frequency and severity of hazards (planning) BCR by hazard based on FEMA's Benefit-Cost Technical Review (project) Feasibility Factor based on FEMA's Engineering Technical Review (project) Whether the Applicant has a FEMA-approved Enhanced State/Tribal hazard mitigation plan by the last date of National Evaluation Whether the Sub-applicant has a FEMA-approved local mitigation plan by the application deadline (project) Whether the project protects critical facilities (project) The percent of the population benefiting, which equals the number of individuals directly benefiting divided by the community population (project) Community mitigation factors such as Community Rating System class, Cooperating Technical Partner, participation as a Firewise Community, and adoption and enforcement of codes including the International Code Series and National Fire Protection Association 5000 Code, as measured by the Building Code Effectiveness Grading Schedule Status of the local Sub-applicant as a small, impoverished community 	<p>National Ranking: Sub-applications will be sorted in descending order based on the National Ranking scores, and eligible sub-applications representing up to 150% of available funds will progress to the National Evaluation. The two highest scoring sub-applications from each state and the two highest scoring sub-applications from tribal Applicants may be included in the National Evaluation - if not already included - to ensure geographic spread of the Sub-applications.</p>

EVALUATION PROCESS	KEY POINTS
<p>National Evaluation: National panels chaired by FEMA and composed of representatives from FEMA Headquarters and Regions, other Federal agencies, states, local governments, and Indian tribal governments will convene to evaluate planning and project sub-applications on the basis of additional pre-determined qualitative factors. National Evaluation factors are:</p> <ul style="list-style-type: none"> ▪ Thoroughness of SOW to describe the methodology for completing the proposed mitigation plan (planning) ▪ Potential benefits of the proposed mitigation planning process to constituents (planning) ▪ Strategy for completing the proposed mitigation project (project) ▪ Sufficient staff and resources for implementation of the proposed mitigation planning process or proposed mitigation project ▪ Viability of the proposed mitigation project (project) ▪ Durability of the financial and social benefits that will be achieved through the proposed mitigation project (project) ▪ Identification of appropriate and useful performance measures to assure the success of the proposed mitigation activity ▪ Protection of critical facilities (project) ▪ Leveraging of Federal/State/Tribal/territorial/local/private partnerships to enhance the outcome of the proposed activity ▪ Description of unique or innovative outreach activities appropriate to the planning process (<i>e.g.</i>, press releases, success stories) that advance mitigation and/or serve as a model for other communities (planning). ▪ Inclusion of outreach activities appropriate to the proposed mitigation project (project) 	
AWARD PROCESS	KEY POINTS
<p>Selection/Award: The Approving Federal Official at FEMA Headquarters shall consider the National Evaluation Score, the comments and recommendations from independent panelists, and any other pertinent information in determining which sub-applications are selected for further review up to the amount of funds available for the program. Sub-applications shall be awarded in order unless a sub-application is justified for selection out of rank order based upon one or more of the following factors:</p> <ul style="list-style-type: none"> ▪ Availability of funding ▪ Balance/distribution of funds geographically or by type of recipient ▪ Duplication of sub-applications ▪ Program priorities and policy factors ▪ Other pertinent information 	<p>Environmental Review: FEMA will complete the environmental/historic preservation compliance review for projects selected for further review as part of pre-award activities. Funds will NOT be awarded and the project can NOT be initiated until FEMA has completed the environmental/historic preservation review.</p> <p>Unsuccessful Applications: FEMA will notify Applicants of sub-applications that do not satisfy completeness and eligibility requirements; sub-applications that are not forwarded to National Evaluation following the National Ranking; and sub-applications that are not selected for further review by the Approving Federal Official.</p>

SECTION 2. GRANT APPLICATION GUIDANCE

2.1. DEFINITION AND PURPOSE

Hazard mitigation is defined as any sustained action taken to reduce or eliminate long-term risk to life and property from a hazard event. Hazard mitigation results in long-term, cost-effective, and environmentally-sound reduction of hazard vulnerability. The goal of hazard mitigation is to save lives and reduce property damage. This, in turn, can reduce the enormous cost of disasters to property owners and all levels of government. In addition, hazard mitigation can protect critical community facilities, reduce exposure to risk, and minimize community disruption. Examples include hazard mitigation planning, acquisition and relocation of structures out of the floodplain, construction of tornado safe rooms, or seismic retrofitting.

FEMA's Pre-Disaster Mitigation (PDM) program provides funds to states, territories, Indian tribes, and communities for hazard mitigation planning and for the implementation of mitigation projects prior to a disaster event. The PDM program provides a significant opportunity to raise risk awareness and reduce the nation's disaster losses through pre-disaster mitigation planning and the implementation of feasible, effective, and cost-efficient mitigation measures. The PDM program provides funding to reduce loss of life as well as damage and destruction to property from natural hazards.

2.2. AUTHORIZATION AND APPROPRIATION

2.2.1. AUTHORIZATION

The Pre-Disaster Mitigation program was authorized by §203 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act), 42 U.S.C. 5133, to assist states and communities to implement a sustained pre-disaster natural hazard mitigation program to reduce overall risk to the population and structures, while also reducing reliance on Federal funding from actual disaster declarations. PDM funds should be used primarily to support mitigation activities that address natural hazards, although hazard mitigation projects and plans also may address hazards caused by manmade events. The Catalog of Federal Domestic Assistance (CFDA) number is 97.017.

2.2.2. APPROPRIATION

PDM grants are awarded on a competitive basis and without reference to state allocations, quotas, or other formula-based allocation(s) of funds. Up to \$150 million may be available for competitive grants, technical assistance, and program support for the Fiscal Year (FY) 2006 PDM program. Availability of PDM funds is dependent upon Congressional appropriation, expected by October 1, 2005, and reauthorization of the program, expected by December 31, 2005. FEMA will post the amount of available funds on the FEMA website: www.fema.gov/fima/pdm.

2.3. GRANT PROGRAM ELIGIBILITY

2.3.1. ELIGIBLE APPLICANTS

Only the state emergency management agency or a similar office (*i.e.*, the office that has primary emergency management responsibility) of the state, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, as well as Federally-recognized Indian

tribal governments are eligible to apply to FEMA for assistance as Applicants under this program. Each state, territory, or tribal government shall designate **one** agency to serve as the Applicant for the PDM program.

Consistent with the FEMA policy and Title 44 Code of Federal Regulations (CFR) “Government-to-Government Relations with American Indian and Alaska Native Tribal Governments,” published in the January 12, 1999, issue of the Federal Register, Federally-recognized Indian tribal governments may choose to apply for PDM grants either through the state as a Sub-applicant or directly to FEMA as an Applicant. (This choice is independent of a designation under other FEMA grants and programs.) If the Indian tribal government acts as an Applicant by applying directly to FEMA and a grant is awarded, the tribal government assumes the full responsibilities of a Grantee for the purposes of administering the grant. FEMA has determined that the unique status of Indian tribal governments justifies providing this option to apply directly to FEMA. However, when legally permitted, tribal governments are encouraged to continue existing relationships with the state.

2.3.2. ELIGIBLE SUB-APPLICANTS

The following entities are eligible to apply to the Applicant for assistance: state-level agencies including state institutions (*e.g.*, state hospital or university); Federally-recognized Indian tribal governments; local governments, including state-recognized Indian tribes, authorized Indian tribal organizations, and Alaska Native villages; public colleges and universities; and Indian tribal colleges and universities.

Private non-profit (PNP) organizations and private colleges and universities are **not** eligible Sub-applicants; however, an eligible, relevant state agency or local government may apply to the Applicant as the Sub-applicant for assistance to benefit the private entity. For example, a state’s Parks and Recreation Department or Cultural Resources Agency may apply as a Sub-applicant for funds to mitigate a private museum, or a State Education Agency may apply as a Sub-applicant for funds to mitigate a private university. The Sub-applicant retains accountability for the sub-grant and may **not** just pass through the funds.

2.3.3. PROGRAM REQUIREMENTS

2.3.3.1. PLANNING REQUIREMENTS

All Applicants **MUST** have a FEMA-approved State/Tribal Standard or Enhanced hazard mitigation plan by the last date of National Evaluation (see section 2.9.1, Selection) **to be eligible to receive grant funding** under the PDM program in accordance with 44 CFR Part 201. In addition, all Sub-applicants must have a FEMA-approved hazard mitigation plan by the date of selection **to be eligible to receive project grant funding under the PDM program**. Applicants and Sub-applicants that do **not** have a FEMA-approved hazard mitigation plan are eligible to apply for a **planning** grant to develop such a plan under PDM. Please see FEMA’s planning web site: <http://www.fema.gov/fima/planning.shtm>.

All activities submitted for consideration **MUST** be consistent with the Applicant’s State/Tribal Standard or Enhanced Hazard Mitigation Plan and the Sub-applicant’s tribal/local/university hazard mitigation plan for the local jurisdiction in which the activity is located.

2.3.3.2. NATIONAL FLOOD INSURANCE PROGRAM (NFIP)

If Applicants and Sub-applicants have been identified through the NFIP as having a Special Flood Hazard Area (SFHA), and a Flood Hazard Boundary Map (FHBM) or Flood Insurance Rate Map (FIRM) has been issued for their specific jurisdiction, they **MUST** be participating in the National Flood Insurance Program (NFIP) and not on probation, suspended, or withdrawn from the NFIP. Applicants/Sub-applicants who are **not** mapped or have not been issued a map are eligible for the PDM program.

Further, all entities included in a planning or project sub-application for PDM funding that are mapped under the NFIP must be participating in the NFIP and not on probation, suspended, or withdrawn from the NFIP. A project that has an identified SFHA must be located within a community that is participating in the NFIP and is not on probation, suspended, or withdrawn from the NFIP. Projects located on campuses of public institutions must be in conformance with either local or state floodplain management requirements (see 44 CFR Part 60, Criteria for Land Management and Use). If the community lacks jurisdiction to enforce NFIP floodplain management requirements on state-owned property, then the project involving a state facility must be in compliance with state floodplain management requirements. Any entity that is mapped under the NFIP that is not participating in the NFIP or is on probation, suspended, or withdrawn from the NFIP will **NOT** be eligible to receive PDM funds.

Property owners located in SFHAs who participate in a mitigation project that improves their structure must obtain and maintain flood insurance on the property prior to award (see Section 5.3, Mitigation Project Requirements).

2.3.3.3. NON-DISCRIMINATION

Like other FEMA mitigation programs, the PDM program must be administered in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status. The PDM program complies with Section 308 of the Stafford Act and Title VI of the 1964 Civil Rights Act. All Applicants/Grantees must comply with Title VI, including state and local governments distributing Federal assistance.

In implementing the PDM program, Applicants and Sub-applicants will ensure that no discrimination is practiced. Applicants must consider fairness, equity, and equal access when prioritizing and selecting planning and project sub-applications to submit with their PDM grant application. Sub-applicants must ensure fairness and equal access to homeowners and individuals that benefit from property acquisitions, structure improvements, etc.

2.3.3.4. COST-EFFECTIVENESS

Project sub-applications **MUST** demonstrate cost-effectiveness through a Benefit-Cost Ratio of 1.0 or greater (see Section 5.6, Cost Effectiveness).

2.3.3.5. GEOCODING MITIGATION PROJECTS

The location of all approved mitigation projects funded by the PDM program must be geocoded using standard datum prior to award (see Section 5.11, FEMA Pre-award Activities). The Guidance for Geocoding Mitigation Data is available from the FEMA Regional Office (see Section 2.14, Regional Contact Information). The PDM web site: <http://www.fema.gov/fima/pdm>, provides guidance for collecting and formatting location information.

2.3.4. PROGRAM RESTRICTIONS

2.3.4.1. COST OVERRUNS AND COST UNDER-RUNS

The PDM program is competitive and, therefore, Federal award amounts are final. There will be no additional FEMA funding beyond the initial award. FEMA will not cover cost overruns associated with grant activities. All costs for which funding is requested MUST be included in the original PDM grant application's budget section.

Cost under-runs (*i.e.*, unexpended funds) remaining after the expiration of the performance period must be reported to FEMA for de-obligation. Cost under-runs from one sub-application can NOT be used to meet another sub-application's cost overrun.

2.3.4.2. DUPLICATION OF BENEFITS

PDM grants may not duplicate benefits received by or available to the Applicant or Sub-applicant including participating persons or entities from insurance, other assistance programs, legal awards, or any other resource to address the same purpose. An Applicant must notify FEMA of all benefits that are received or anticipated by the Applicant or Sub-applicant from other sources for the same purpose, and Applicants and Sub-applicants must seek all such benefits available to them. FEMA will reduce the PDM grant by the amounts available for the same purpose from another source.

If FEMA provides assistance under this program when other benefits are available, the Grantee will be liable to FEMA for any duplicative amounts that are received, and must reimburse FEMA for such amounts.

2.3.4.3. DUPLICATION OF PROGRAMS

FEMA will not provide assistance under the PDM program for activities that it determines another Federal program has a specific or primary authority to provide. FEMA also will not provide assistance for the Applicant or Sub-applicant's legal obligations. FEMA may disallow or recoup amounts that duplicate other authorities.

For example:

- The Natural Resources and Conservation Service has the primary responsibility for funding watershed management plans;
- The Environmental Protection Agency manages the Clean Water State Revolving Fund (CWSRF) program to fund a variety of water quality infrastructure projects (e.g. combined sewer overflow (CSO) and sanitary sewer overflow (SSO) projects to eliminate sewer system overflows).

2.3.4.4. PDM PROGRAM FUNDS

PDM funds retain their Federal identity and, thus, generally can NOT be used as cost share for another Federally funded activity. In addition, the non-Federal cost share for the PDM program cannot be used as cost share for other Federal grant programs.

2.3.4.5. FUNDING LIMITS

Funding is restricted to a maximum of \$1 million Federal share for planning sub-applications and \$3 million Federal share for mitigation project sub-applications. **Sub-applications that propose a Federal cost share in excess of the Federal funding limit will not be considered.**

2.3.4.6. PERFORMANCE PERIOD

The performance period for mitigation planning and project sub-applications shall not exceed three years from date of award. **Sub-applications that propose a work schedule in excess of three years will not be considered.**

2.3.4.7. CONFLICT OF INTEREST

Applicants and Sub-applicants must avoid conflicts of interest. Sub-applicants must comply with the procurement guidelines at 44 CFR 13.36. Among other requirements, 44 CFR 13.36 urges Sub-applicants to avoid situations where local officials with oversight authority might benefit financially from the grant disbursement. Applicants must comply with guidelines for awarding and administering sub-grants at 44 CFR 13.37.

2.4. ELIGIBLE ACTIVITIES AND ASSOCIATED COSTS

Mitigation plans and projects must be long-term, feasible, and meet all requirements referenced in the PDM Guidance. Projects also must demonstrate cost-effectiveness.

The following are eligible activities for the PDM program:

- Mitigation planning activities (see Section 4, Mitigation Planning Sub-application Guidance);
- Mitigation project activities (see Section 5, Mitigation Project Sub-application Guidance); and,
- Applicant management costs (see Section 3, Applicant Management Costs).

2.5 INELIGIBLE ACTIVITIES

Mitigation planning and project sub-applications must meet all requirements referenced in the PDM Guidance. Specific ineligible mitigation planning activities are listed in Section 4.2, Ineligible Mitigation Planning Activities. Ineligible project activities are listed in Section 5.2, Ineligible Project Activities.

2.6. APPLICATION PROCESS

2.6.1. APPLICATION PERIOD

The PDM application period will open following receipt of appropriations (see Section 2.2.2, Appropriation). The application period will be posted on FEMA's website:

www.fema.gov/fima/pdm. **PDM grant applications must be submitted to FEMA by January 16, 2006, 11:59:59 p.m., Eastern Standard Time. Applications, including all supporting documentation, will NOT be accepted after the application deadline.**

Sub-applicants should consult the official designated point of contact for their Applicant state/Indian tribe/territory for more information regarding the application process. Applicants are strongly encouraged to establish an earlier deadline for Sub-applicants to submit sub-applications in order to allow time to review and prioritize sub-applications (see Section 2.6.3, Applicant Review of Sub-applications) as well as enter any paper sub-applications into FEMA's Electronic Grants (*eGrants*) System (see Section 2.6.2, FEMA's Electronic Grants System).

2.6.2. FEMA'S ELECTRONIC GRANTS SYSTEM

Applicants **MUST** use the electronic grants (*eGrants*) management system:

<https://portal.fema.gov> to submit a PDM grant application to include planning, project, and management cost sub-applications. **Only PDM-C grant applications submitted through the *eGrants* system will be accepted.** If a Sub-applicant does not use the *eGrants* system, the Applicant **MUST** enter the Sub-applicant's paper sub-application(s) into the *eGrants* system on their behalf using the Paper Sub-application Intake function. Paper planning and project sub-applications that follow the *eGrants* format are available in the *eGrants* system for Sub-applicants to use. **Applicants MUST provide an original and two copies of any paper supporting documentation that cannot be electronically attached to the *eGrants* application (e.g., engineering drawings, photos, maps).** However, the entire application, including all paper documentation, **MUST** be received by the appropriate FEMA Regional office by the application deadline. Paper duplicates of attachments submitted with sub-applications in *eGrants* are not necessary.

FEMA requires Applicants to use *eGrants* for the PDM program as it facilitates the competitive process and simplifies the selection and award process. FEMA has developed the *eGrants* system to meet the intent of the e-government initiative authorized by Public Law 106–107, passed on November 20, 1999. This initiative requires that all government agencies both streamline the grant application processes and provide the means to electronically create, review, and submit a grant application via the Internet.

FEMA's *eGrants* system incorporates all elements of the PDM application in a user-friendly format for both Applicant and Sub-applicant use. The electronic process replaces the paper-based process in that Sub-applicants' planning and project sub-applications may be electronically submitted to the Applicant for review and approval in *eGrants*. Then, the Applicant must attach the Sub-applicants' sub-applications to a grant application along with the Applicant's own planning, project, and management cost sub-applications, if any, for submission to FEMA. FEMA uses the *eGrants* system to monitor ongoing performance, manage the flow of Federal funds, and close out the grant award when all work is completed.

In addition to the online help available within the *eGrants* system and the Grantee and Sub-grantee Quick Reference Guides available on at <https://portal.fema.gov>, FEMA has established an *eGrants* Helpdesk to provide technical assistance to Applicants and Sub-applicants completing sub-applications and grant applications in the *eGrants* system. The *eGrants* Helpdesk can be reached via telephone: 1-866-476-0544 or e-mail:

mtegrants@dhs.gov. Standard hours of operation are 9 a.m. to 5 p.m. Eastern Time. Hours may be extended during the application period.

2.6.3 APPLICANT REVIEW OF SUB-APPLICATIONS

Applicants **MUST** review and approve all sub-applications in *eGrants* before they can be attached to a grant application. Applicants should review all planning and project sub-applications for eligibility, completeness, and consistency with the Applicant's Standard/Enhanced hazard mitigation plan and the goals and objectives of the applicable Tribal/local/university hazard mitigation plan (see Section 2.3.3.1, Planning Requirements). Applicants may return sub-applications to Sub-applicants for revisions as necessary in *eGrants*.

FEMA strongly encourages Applicants to review the Sub-applicant's responses to the Evaluation Information questions, including the assessment of the frequency and severity of hazards for mitigation planning activities (see Section 4.6, Evaluation Information), and the Benefit-Cost Analysis for mitigation projects (see Section 5.8, Evaluation Information), which will support competitiveness in the National Ranking process (see Section 2.8.2, National Ranking). The Applicant may wish to revise or augment this information in consultation with the Sub-applicant.

Applicants should certify that they have evaluated the activities included in each sub-application to address all program requirements, thereby meeting the program criteria outlined under section 203(g) of the Stafford Act; and that they will be implemented in accordance with 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

In addition, the Applicant should provide a narrative in the comment field for the sub-application in *eGrants* to describe:

1. Whether the proposed activity meets the Applicant's mitigation objectives as stated in the Applicants' hazard mitigation plan and the goals and objectives of the Sub-applicant's mitigation strategy;
2. Whether the proposed activity is feasible and will provide a long-term, independent solution to mitigate natural hazards; and
3. If the Sub-applicant is able to manage the grant funds and complete the activity in the time specified.

2.6.4. GRANT APPLICATION CHECKLIST

Applicants **MUST** provide the following in their PDM grant application in order to be eligible for consideration:

1. **Applicant Information:** Provide name, type, and state of the Applicant, state and Federal tax numbers, Federal Employer Identification Number, DUNS number. Indicate whether the Applicant has a Smartlink account, whether the application is subject to review by the Executive Order 12372 process (select "Program is not covered by E.O. 12372" in *eGrants*), and whether the Applicant is delinquent on any Federal debt;

2. **Contact Information:** Provide the name, agency, and address for the point of contact for the grant application;
3. **Sub-grant applications:** Include eligible sub-applications that the Applicant has reviewed and approved in *eGrants* (see Section 2.6.3, Applicant Review of Sub-applications). **Applicants MUST rank each sub-application** included in the grant application **in order of their priority for funding based on the Applicant's Standard or Enhanced hazard mitigation plan. Each sub-application MUST be assigned a unique rank** (*i.e.*, only one number 1) in *eGrants*. If the Applicant is including a Technical Assistance/Management Cost sub-application, it should be ranked last. Applicants should explain the rank given to each sub-application and how it relates to their hazard mitigation plan;
4. **Schedule:** Provide the title of the grant application and the overall projected performance period for the grant, and ensure that the work schedule for each sub-application included with the grant application is appropriate (see Section 2.3.4.6, Performance Period);
5. **Budget:** Ensure that the requested Cost Estimate for each sub-application is appropriate and provide the grant budget class for each item. Provide documentation to support Applicant/Sub-applicant status as a small, impoverished community, if appropriate, for Federal cost share of up to 90 percent (see Section 2.7, Cost Share Requirements). Provide an Approved Indirect Cost Agreement, if applicable;
6. **Properties:** Ensure that all of the properties, including alternatives, in each project sub-application are included, if applicable; and,
7. **Assurance and Certifications:** Complete the Assurances - Non-Construction Programs, FEMA Form 20-16A, if applicable; Certification Regarding Lobbying; Debarment, Suspension and Other Responsible Matters; and Drug-Free Workplace Requirements, FEMA Form 20-16C; and Disclosure of Lobbying Activities, Standard Form LLL, if applicable.

2.7. COST SHARE REQUIREMENTS

FEMA will contribute up to 75 percent of the total amount approved under the grant award to implement approved activities. At least 25 percent of the total eligible costs must be provided from a non-Federal source. Funding is restricted to a maximum of \$3 million Federal share per each project sub-application and \$1 million Federal share per each planning sub-application (see Section 2.3.4, Program Restrictions).

2.7.1. SMALL, IMPOVERISHED COMMUNITIES

Grants awarded to “small, impoverished communities” may receive a Federal cost share of up to 90 percent of the total amount approved under the grant award to implement eligible approved activities in accordance with the Stafford Act. Documentation must be submitted with the sub-application to support the eligibility for a higher FEMA cost share. If documentation is not submitted with the sub-application, then FEMA will provide no more than 75 percent of the total eligible costs.

A small, impoverished community MUST meet ALL of the following criteria:

- Must be a community of 3,000 or fewer individuals that is identified by the state as a rural community, and is not a remote area within the corporate boundaries of a larger city;
- Must be economically disadvantaged, with residents having an average per capita annual income not exceeding 80 percent of the national per capita income, based on best available data. (The Department of Commerce Bureau of Economic Analysis (BEA) website states that the per capita personal income for the United States in 2003 was \$31,619.) More up-to-date information may be used. Please see the BEA web site at: <http://www.bea.doc.gov>;
- Must have a local unemployment rate that exceeds by one percentage point or more the most recently reported, average yearly national unemployment rate. (According to the U.S. Bureau of Labor Statistics (USBL), the current average unemployment rate for 2005 is 5.2 percent. For up-to-date information, please see the USBL web site located at: <http://stats.bls.gov>; and,
- Must meet any other factors as determined by the state/Indian tribe/territory in which the community is located.

2.7.2. NON-FEDERAL COST SHARE

The non-Federal cost share must be in direct support of the approved activities and must be an eligible cost for PDM funding. All contributions, cash and in-kind or any combination thereof, may be accepted as part of the non-Federal cost share. In lieu of requesting pre-award costs, Applicants and Sub-applicants may submit eligible costs incurred prior to award but after the PDM application period has opened as their non-Federal cost share. Indirect costs may be included as part of the total project cost however, indirect costs in excess of the 10 percent management costs limit may NOT be used as part of the cost share (see Section 3.1, Eligible Management Cost Activities).

PDM funds retain their Federal identity and generally **cannot** be used as cost share for another Federally funded activity. In addition, non-Federal cost share funds for the PDM program **cannot** be used as cost share for other Federal grant programs. In general, the non-Federal cost share may not include funds from other Federal agencies, except for Federal funds that have authorizing statutes that explicitly allow the funds to be used as a cost share for other Federal grants. Exceptions include:

- Department of Housing and Urban Development Community Development Block Grant (CDBG) monies may be used as cost share for property acquisition projects as long as the projects are eligible under the CDBG program.
- The U.S. Small Business Administration loan funds and the U.S. Department of Agriculture's Farm Service Agency loan funds, which lose their Federal identity once the loan is approved, may be used as a cost share.
- Indian Health Services funds may be used as cost share for PDM funds as long as the mitigation activity "contributes to the purposes for which grants...are made" under the Indian Health Services statute.
- Bureau of Indian Affairs funds may be used as cost share.
- Appalachian Regional Commission funds may be used as cost share, per Section 302(a)(3) of the Appalachian Regional Development Act of 1965.

- Funds derived from Title III of the Secure Rural Schools Act (P.L. 106-393) may be used as cost share, so long as the use also is consistent with the purposes of that Act.
- The NFIP Increased Cost of Compliance (ICC) claim payment from previous flood events may be used to meet the non-Federal cost share requirements, to the extent that the period for making such a claim remains open.

2.7.2.1. COST SHARE DOCUMENTATION

Requirements for in-kind contributions can be found in 44 CFR 13.24. In-kind contributions must be comprised of eligible program costs. The following documentation is required for third-party cash and in-kind contributions:

- Record of donor;
- Dates of donation;
- Rates for staffing, equipment or usage, supplies, etc.;
- Amounts of donation; and,
- Deposit slips for cash contributions.

According to 44 Code of Federal Regulation 13.24, this documentation is to be held at the Applicant and Sub-applicant level.

2.8. FEMA REVIEW, NATIONAL RANKING, AND NATIONAL EVALUATION

2.8.1. FEMA REVIEW

FEMA will review all planning (see Section 4.8.1, FEMA Review) and project (see Section 5.10.1, FEMA Review) sub-applications to ensure eligibility and completeness. **Sub-applications that do not satisfy either the eligibility or completeness requirements will be removed from consideration.**

2.8.2. NATIONAL RANKING

FEMA will score all eligible mitigation planning and project sub-applications on the basis of predetermined, objective, quantitative factors (see Section 4.8.2, National Ranking and Section 5.10.2, National Ranking) to calculate a National Ranking Score for each sub-application. Applicant management cost sub-applications will not be scored but will be awarded based on planning and project sub-applications awarded for each Applicant (see Section 3, Applicant Management Costs).

All mitigation planning and project sub-applications will be sorted in descending order based on National Ranking Scores. FEMA will forward the highest scored eligible sub-applications, representing up to 150 percent of funding available for the PDM program, to the National Evaluation. FEMA may include the two highest scoring eligible sub-applications from each state and the two highest scoring eligible sub-applications from Indian tribal Applicants in the National Evaluation to ensure a geographic spread of sub-applications.

2.8.3. NATIONAL EVALUATION

National panels, chaired by FEMA and composed of representatives from FEMA Headquarters and Regions, other Federal agencies, states, territories, Indian tribal governments, and local governments will convene to evaluate the mitigation planning and project sub-applications forwarded from the National Ranking. Evaluators will score sub-

applications based on predetermined qualitative factors (see Section 4.8.3, National Evaluation and Section 5.10.3, National Evaluation) to calculate a National Evaluation Score for each sub-application.

FEMA will ensure that panel evaluations are conducted consistently and fairly with no conflicts of interest. All mitigation planning and project sub-applications will be granted equal consideration during the National Evaluation regardless of their National Ranking Score. Applicant management cost sub-applications will **not** be scored but will be awarded based on planning and project sub-applications awarded for each Applicant (see Section 3, Applicant Management Costs). After the National Evaluation is completed, all planning and project sub-applications will be sorted in descending order based on National Evaluation Scores.

2.9. SELECTION, FEMA PRE-AWARD ACTIVITIES, AND AWARDS

2.9.1. SELECTION

The Approving Federal Official at FEMA Headquarters shall consider the National Evaluation Score, the comments and recommendations from independent panelists, and any other pertinent information in determining which planning and project sub-applications are selected for further review up to the amount of funds available for the program.

The Approving Federal Official shall select the highest scored eligible planning and project sub-applications for further review in order up to the amount of funds available for the program unless a sub-application is justified for selection out of rank order based upon one or more of the following factors:

- Availability of funding;
- Balance/distribution of funds geographically or by type of recipient;
- Duplication of sub-applications;
- Program priorities and policy factors; and,
- Other pertinent information.

FEMA will contact Applicants selected for further review, however, note that pre-award activities are not considered notification of an award.

2.9.2. FEMA PRE-AWARD ACTIVITIES

After selection and prior to grant award, FEMA Regional Offices will work with Applicants who have mitigation planning and project sub-applications selected for further review to implement required pre-award activities, such as verifying Applicant and Sub-applicant commitments and understanding of grant terms. FEMA also may, at its discretion, request information or documentation from Applicants to support certain planning or project sub-applications as part of pre-award activities (see Section 4.9, FEMA Pre-award Activities and Section 5.11, FEMA Pre-award Activities). Applicants must respond to requests for information from the FEMA Regional Offices regarding their sub-applications within the specified timeframe. **Please note that pre-award activities are not considered notification of an award.**

FEMA will complete the environmental/historic preservation compliance review for projects selected for further review as part of pre-award activities (see Section 5.11, FEMA Pre-award Activities). Project sub-applications will NOT be awarded and projects can NOT be initiated until FEMA has completed the environmental/historic preservation review. Additional compliance information for the environmental/historic preservation review is available at <http://www.fema.gov/ehp/compliance.shtm>.

2.9.3. AWARDS

Regional Offices will provide an award package to the Applicant for successful sub-applications once pre-award activities are completed (see Section 2.9.2, FEMA Pre-award Activities). An award package consists of an award letter, 76-10a, and Articles of Agreement that must be signed by the Applicant and returned to FEMA for approval before funds can be awarded. The Applicant must agree to abide by the grant award terms and conditions as set forth in the Articles of Agreement. Draft Articles of Agreement for the PDM program are available on the website: <http://www.fema.gov/fima/pdm> or from the Regional Offices (see Section 2.14, Regional Contact Information).

If an Applicant or Sub-applicant does not accept an award, FEMA may select additional eligible planning and project sub-applications for further review (see Section 2.9.1, Selection) in order to return the funds to the National Pre-Disaster Mitigation Fund for the next grant cycle. Awarded PDM planning and project sub-applications will be listed on the FEMA website: <http://www.fema.gov/fima/pdm>.

2.9.4. NOTIFICATION OF STATUS OF SUB-APPLICATIONS

FEMA will notify Applicants of sub-applications that do not satisfy completeness and eligibility requirements (see Section 2.8.1, FEMA Review); sub-applications that are not forwarded to National Evaluation following the National Ranking (see Section 2.8.2, National Ranking); and sub-applications that are not selected for further review by the Approving Federal Official (see Section 2.9.1, Selection).

Additional eligible planning and project sub-applications may be selected for further review (see Section 2.9.1, Selection) as additional funds become available after reconsideration requests have been analyzed (see Section 2.10, Reconsideration), awards are not accepted (see Section 2.9.3, Awards), award amounts are reduced, or additional funds are appropriated to the National Pre-Disaster Mitigation Fund. Eligible planning and project sub-applications will be sorted by National Evaluation Score, and the highest scored sub-applications will be selected in order up to the amount of funds available.

2.10. RECONSIDERATION

At its discretion, FEMA may review a decision regarding a planning or project sub-application that does not meet PDM requirements only where there is an indication of material, technical, or procedural error that may have influenced FEMA's decision. There will be no reconsideration regarding the amount of Applicant management costs (see Section 3, Applicant Management Costs). In addition, Applicants who are not awarded any PDM funds may not receive reimbursement for management costs.

Applicants should send requests for reconsideration based upon material, technical, or procedural error to the FEMA Regional Director **within 60 calendar days of the date of notification of FEMA's decision.** The Regional Director will analyze the reconsideration request and make a recommendation to the Director of the Mitigation Division at Headquarters or his designee. As PDM grants are awarded on a competitive basis, FEMA will not consider new information provided in the request for reconsideration. FEMA encourages Applicants to incorporate any new information into applications for future grant cycles.

A small percentage of funds will be set aside to fund additional planning and project sub-applications after reconsideration requests have been analyzed. FEMA may convene a panel to determine the National Evaluation Score (see Section 2.8.3, National Evaluation), if necessary, for any sub-applications that FEMA reconsiders. Reconsidered sub-applications and the remaining eligible planning and project sub-applications will be sorted by National Evaluation Score, and the highest scored sub-applications will be selected and awarded in order up to the amount of funds available (see Section 2.9, Selection, FEMA Pre-award Activities, and Awards). Remaining funds may be returned to the National Pre-Disaster Mitigation Fund for use in the next grant cycle.

2.11. PERFORMANCE PERIOD

The performance period is the period of time specified in the Agreement Articles (see Draft Pre-Disaster Mitigation Agreement Articles, available on the PDM web page:

<http://www.fema.gov/fima/pdm> or from the FEMA Regional Offices) during which the Applicant/Sub-applicant is expected to complete the grant/sub-grant activities and to incur and expend funds approved for the PDM grant. The performance period for the grant shall begin on the date that the grant is awarded and end on the last day of the performance period of the longest sub-grant awarded to the Applicant. **Neither planning sub-grants nor project sub-grants may be awarded with a performance period exceeding three years** (see Section 2.3.4, Program Restrictions). **Planning and project sub-applications that propose a work schedule in excess of three years will not be accepted.**

The Grantee has up to 90 days following the expiration of the performance period to liquidate valid expenditures incurred during the performance period. Cost under-runs remaining after the performance period expiration date must be reported to FEMA for de-obligation.

2.12. EXTENSIONS

Requests for extensions to the performance period will be considered but will not be automatically approved. In accordance with FEMA's Financial and Acquisition Management Division's Extension Policy, the Regional Office may extend the performance period up to one year. Requests for a period of performance extension must be submitted in writing to the Regional Director and must be supported by adequate justification in order to be processed. This justification is a written explanation of the reason or reasons for an extension and must demonstrate that work is in progress and will be completed within the extended period of performance.

The justification **MUST** address the following areas to enable the review of extension requests:

1. **Submission Date:** The request must be submitted at least 60 calendar days prior to the expiration date of the performance period;
2. **Reason for Delay:** Identify the status of the activity and give a brief description for the delay (*e.g.*, weather conditions);
3. **Budget:** Identify the remaining funds, both FEMA share and local cost share, available for the extended period and outline how the funds will be used. Identify sources of additional funding if remaining FEMA funds and cost share will not support the extension request;
4. **Plan for Completion:** Identify the objectives necessary to complete the activity, completion date for each objective, and list the position/person responsible for oversight of completion of the activity;
5. **Completion Date:** Identify the projected completion date for the activity; and,
6. **No change of scope:** Provide a certification that the activity will be completed within the extended period without any modification to the original Scope of Work approved by FEMA.

If a second extension becomes necessary, then the Grantee must submit an additional formal written request to the FEMA Regional Director. As with the first request, the second extension request must be made no later than 60 calendar days prior to the expiration of the initially extended period of performance and must include a justification for the extension that addresses the six items noted above. Per FEMA policy, the second extension request is sent from the FEMA Region to FEMA Headquarters for consultation and review.

Should any sub-grant performance period be extended, the grant performance period will be extended as well; however, the extension should be conditioned so that all completed sub-grants are closed out within their individual performance periods. The total extended period of performance for planning and project sub-grants shall not exceed five years.

2.13. REPORTING REQUIREMENTS

The following reports are required from Grantees:

2.13.1. FEDERAL CASH TRANSACTION REPORTS

If the Grantee uses the Health and Human Services (HHS) Payment Management System-SMARTLINK, the Grantee shall submit to FEMA a copy of the SF 272, Federal Cash Transaction Report (Appendix FF) submitted to the HHS.

2.13.2. FINANCIAL STATUS REPORTS

The Grantee shall submit Financial Status Reports, FF 20-10, to the FEMA Regional Office within 30 days from the end of the first Federal quarter following the initial grant award. The Regional Director may waive the initial report. The Grantee shall submit quarterly financial status reports thereafter until the grant ends. Reports are due on January 30, April 30, July 30, and October 30.

Financial Quarterly Reports will be available for completion in the *eGrants* system. Financial reports must include the activity name or other identification, expenditures, and

payment-to-date information (reference 44 CFR 13.40 “Monitoring and Reporting” for additional information).

Note: The Regional Director may suspend drawdowns from the HHS/Payment Management System-SMARTLINK if quarterly financial reports are **not** submitted on time.

2.13.3. PERFORMANCE REPORTS

The Grantee shall submit performance/progress reports for each grant award to the FEMA Regional Office within 30 days from the end of the first Federal quarter following the initial grant award. The Regional Director may waive the initial report. The Grantee shall submit quarterly performance/progress reports thereafter until the grant ends. Reports are due on January 30, April 30, July 30, and October 30.

Quarterly Performance Reports will be available for completion in the *eGrants* system. Performance/progress reports must include the activity name or other identification as well as:

- Describe significant activities and developments that have occurred that show performance during the quarter, including a comparison of actual accomplishments to the objectives established in the sub-application;
- Indicate whether completion of work is anticipated within the performance period. If not, describe any problems, delays, or adverse conditions that will impair the ability to meet the stated objectives in the sub-application; and,
- Indicate whether cost under-run/cost overrun, change of scope request, or request for extension of performance period are anticipated.

2.13.4. FINAL REPORTS

The Grantee shall submit a Final Financial Status Report and Performance Report within 90 days from Grant Award Performance Period expiration date, per 44 CFR 13.50. Final Financial and Performance Reports will be available for completion in the *eGrants* system.

2.14. REGIONAL CONTACT INFORMATION

Contact information for FEMA Regional Offices is provided on the FEMA website: <http://www.fema.gov/regions> and also is listed here for your information.

FEMA Region I - Serving Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont: 99 High Street, 6th Floor, Boston, MA 02110. (617) 956-9540.

FEMA Region II - Serving New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands: 26 Federal Plaza, Rm. 1307, New York, NY 10278-0001. (212) 680-3600.

FEMA Region III - Serving the District of Columbia, Delaware, Maryland, Pennsylvania, Virginia, and West Virginia: 1 Independence Mall, 6th Floor, 615 Chestnut Street, Philadelphia, PA 19106-4404. (215) 931-5608.

FEMA Region IV - Serving Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee: 3003 Chamblee-Tucker Road, Atlanta, GA 30341. (770) 220-5406.

FEMA Region V - Serving Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin: 536 S. Clark Street, 6th Floor, Chicago, IL 60605. (312) 408-5320.

FEMA Region VI - Serving Arkansas, Louisiana, New Mexico, Oklahoma, and Texas: 800 North Loop 288, Denton, TX 76209-3698. (940) 898-5399.

FEMA Region VII - Serving Iowa, Kansas, Missouri, and Nebraska: Until August 28, 2005: 2323 Grand Avenue, Suite 900, Kansas City, MO 64108-2670 9221. As of August 29, 2005: 9221 Ward Parkway, Suite 300, Kansas City, MO 64114. (816) 283-7061.

FEMA Region VIII - Serving Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming: Denver Federal Center, Building 710, Box 25267, Denver, CO 80225-0267. (303) 235-4800.

FEMA Region IX - Serving Arizona, California, Hawaii, Nevada, the Territory of American Samoa, the Territory of Guam, and the Commonwealth of the Northern Mariana Islands: 1111 Broadway, Suite 1200, Oakland, CA 94607-4052. (510) 627-7100.

FEMA Region X - Serving Alaska, Idaho, Oregon, and Washington: Federal Regional Center, 130 228th Street, SW, Bothell, WA 98021. (425) 487-4600.

SECTION 3. APPLICANT MANAGEMENT COSTS

Applicants may apply for a maximum of 10 percent of the total funds requested in their PDM grant application budget (Federal and non-Federal shares) for management costs to support the planning and project sub-applications included as part of their PDM grant application.

Applicants requesting Applicant management costs MUST submit a separate Technical Assistance/Management Costs sub-application in eGrants, or the funds requested will not be considered. Applicants may NOT request Sub-applicant management costs in their own planning or project sub-applications under any circumstance.

3.1. ELIGIBLE MANAGEMENT COST ACTIVITIES

Eligible management cost activities include:

- The solicitation, review, and processing of PDM planning and project sub-applications and sub-grant awards;
- Providing technical assistance to Sub-applicants regarding Benefit-Cost Analysis and Environmental and Historic Preservation documentation;
- Geocoding mitigation projects selected for further review (see Section 5.3, Mitigation Project Requirements);
- Delivery of technical assistance (*e.g.*, plan reviews, planning workshops) intended to support the implementation of planning and project activities;
- Managing grants (*e.g.*, quarterly reporting and close-out);
- Technical monitoring (*e.g.*, site visits, technical meetings); and,
- Hiring staff to perform the above activities.

Management cost activities must be consistent with Office of Management and Budget Circular A-87, Cost Principles for State and Local Governments.

Indirect costs, if requested, must be included as part of the Cost Estimate for the Applicant management cost sub-application, not to exceed 10 percent of the total cost of the grant application. Indirect costs are included as part of the total project cost; however, indirect costs in excess of the 10 percent management costs limit may NOT be used as part of the non-Federal cost share. There will be no exception to permit the increase in Applicant management costs. Indirect costs must be supported with a current Indirect Cost Rate approved by a Federal Cognizant Agency.

3.1.1. PRE-AWARD MANAGEMENT COSTS

Eligible management costs incurred prior to the grant award, but after the PDM application period has opened, are identified as pre-award management costs. FEMA may allow pre-award management costs at its discretion and as funds are available. In most cases, Applicants may be reimbursed for eligible pre-award management costs incurred prior to award but after the PDM application period has opened. Eligible pre-award management costs should be included as separate line items in the Cost Estimate for the management cost sub-application.

In lieu of requesting pre-award management costs, Applicants may submit eligible management costs incurred prior to award but after the PDM application period has opened as their non-Federal cost share (see Section 2.7.2, Non-Federal Cost Share).

3.2. COST SHARE

Management costs must be cost shared with a non-Federal share of at least 25 percent. For example, an Applicant with planning and project sub-applications totaling \$1 million (Federal and non-Federal shares) may apply for up to \$100,000 Applicant management cost with a Federal share of \$75,000. An exception is when the Applicant can demonstrate its status as a small, impoverished community. In that case, the Federal cost share may increase up to 90 percent (see Section 2.7.1, Small, Impoverished Communities) with a corresponding decrease in the required non-Federal share.

3.3. APPLICANT MANAGEMENT COST SUB-APPLICATION CHECKLIST

Applicants **MUST** provide the following in their management cost sub-application in order to be eligible for consideration:

1. **Applicant Information:** Provide name, type, and state of the Applicant, state and Federal tax numbers, and Federal Employer Identification Number;
2. **Contact Information:** Provide the name, agency, and address for the point of contact for the Technical Assistance/Management Cost sub-application;
3. **Community Information:** Indicate the entity that will benefit from the sub-application (use “statewide”);
4. **Mitigation Plan Information:** Indicate whether the Applicant is covered by a FEMA-approved State/Tribal Standard or Enhanced hazard mitigation plan;
5. **Mitigation Activity Information:** Indicate the type, intent and title of the proposed activity;
6. **Hazard Information:** Describe the area to be covered and identify the source of the hazards to be addressed by the activity;
7. **Scope of Work:** Describe the goals and objectives of the activity and how they will be implemented, including timeline/schedule/milestones;
8. **Cost Estimate:** Provide all anticipated and potential costs for each activity, including Federal and non-Federal shares, including an Approved Indirect Cost Agreement, if applicable. Indicate all pre-award costs as separate line items;
9. **Match Sources:** Provide the non-Federal cost share for the proposed activity, including documentation to support the non-Federal cost share and Applicant status as a small, impoverished community, if appropriate, for Federal cost share of up to 90 percent (see Section 2.7, Cost Share Requirements);
10. **Cost-Effectiveness Information:** Management costs are exempt from a Benefit-Cost Analysis; and,
11. **Assurances and Certifications:** Complete the Summary Sheet for Assurances and Certification, FEMA Form 20-16; Assurances - Non-Construction Programs, FEMA Form 20-16A; Certification Regarding Lobbying; Debarment, Suspension and Other Responsible Matters; and Drug-Free Workplace Requirements, FEMA Form 20-16C; and, Disclosure of Lobbying Activities, Standard Form LLL, if applicable.

3.4. NATIONAL RANKING AND EVALUATION

Applicant management costs will factor into neither the National Ranking nor the National Evaluation of planning or project sub-applications (see Sections 2.8.2 and 2.8.3, National Ranking and National Evaluation).

3.5. SELECTION AND AWARD

Applicant management costs will be approved for 10 percent of the total amount awarded (Federal and non-Federal shares) for the Applicant's planning and project sub-grants, or the amount of management costs requested by the Applicant, whichever is less (see Section 2.9.1, Selection). There are no exceptions. FEMA may award management costs with the initial planning/project award and then amend an Applicant's grant to increase management costs if and when additional planning/project sub-applications are awarded, or decrease management costs if any planning or project sub-applications are not awarded (see Section 3.1, Eligible Management Cost Activities). As part of the pre-award review process, the FEMA Regional Office will review all open PDM grants to ensure that all required reports have been submitted in a timely manner (see Section 2.13, Reporting Requirements). Applicants who are not awarded PDM funds will NOT receive reimbursement for management costs.

3.6. PERFORMANCE PERIOD

The performance period for the Applicant management costs sub-grant shall begin on the date that the management costs sub-grant is awarded and end on the last day of the performance period for the grant (see Section 2.11, Performance Period).

SECTION 4. MITIGATION PLANNING SUB-APPLICATION GUIDANCE

Mitigation plans are the foundation for effective hazard mitigation. The hazard mitigation plan is a demonstration of the commitment to reduce risks from natural hazards and serves as a guide for decision makers as they commit resources. Applicants/Sub-applicants **MUST** complete a planning sub-application for mitigation planning activities proposed for PDM funding.

The PDM program is FEMA's primary mechanism to provide grant assistance for mitigation planning. Therefore, states, Indian tribal governments, local governments, colleges, and universities are encouraged to submit planning sub-applications for the PDM program in order to develop, upgrade or comprehensively update their mitigation plans which, when approved by FEMA, will maintain their eligibility for future FEMA funding including PDM project grants.

4.1. ELIGIBLE MITIGATION PLANNING ACTIVITIES

Planning activities that develop state, Indian tribal, local, and university hazard mitigation plans that meet planning criteria outlined in 44 CFR Part 201 are eligible for the PDM program. **The outcome of a mitigation planning grant award MUST result in an adopted FEMA-approved hazard mitigation plan within three years of award** (see Section 4.10, Performance Period). Therefore, it is essential that the Scope of Work include sufficient time and resources for FEMA plan review, incorporation of needed revisions, plan adoption, and FEMA approval (see Section 4.4, Scope of Work).

The planning grant deliverable MUST be a new FEMA approved hazard mitigation plan, an upgrade of an existing FEMA-approved hazard mitigation plan or comprehensive revision and update of an already FEMA-approved hazard mitigation plan. Hazard mitigation planning activities **MUST** primarily focus on natural hazards but may also address hazards caused by manmade events. Plans may be either single or multi-jurisdictional. Countywide or multi-jurisdictional hazard mitigation plans may be submitted for funding, as many mitigation issues are better resolved by evaluating hazards in a more comprehensive fashion. **Funding is restricted to a maximum of \$1 million Federal share per planning sub-application.**

4.1.1. NEW PLAN DEVELOPMENT

A new hazard mitigation plan to meet 44 CFR Part 201 requirements is appropriate for:

- Jurisdictions at risk from a single or multiple natural hazards for which they can identify viable mitigation actions and with no existing hazard mitigation plan; and
- Jurisdictions with existing hazard mitigation plans that do not fully address the 44 CFR Part 201 criteria (*e.g.*, Flood Mitigation Assistance plan, Community Rating System plan).

4.1.2. UPGRADE

A plan upgrade of an existing hazard mitigation plan compliant with 44 CFR Part 201 is appropriate for:

- States/Tribes/territories with a Standard hazard mitigation plan preparing an Enhanced hazard mitigation plan;
- Tribal governments with a local hazard mitigation plan preparing a Tribal Standard/Enhanced hazard mitigation plan; and

- Local jurisdictions that participated in a multi-jurisdictional hazard mitigation plan preparing a single-jurisdictional hazard mitigation plan.

Plan upgrades may include risk assessment activities as described in Section 4.1.4, Risk Assessment.

4.1.3. COMPREHENSIVE REVIEW AND UPDATE

A comprehensive review and update of an existing hazard mitigation plan is appropriate for States, Tribal governments, and local jurisdictions to meet the three or five year requirements under 44 CFR Part 201.

In addition, eligible activities may include:

- Address data deficiencies identified in a previously approved hazard mitigation plan. The updated hazard mitigation plan may include a revised risk assessment, but must include a modified mitigation strategy and specific, related actions items. The planning sub-application must cite the location(s) in the current approved hazard mitigation plan where the data deficiencies are being addressed;
- Address process limitations such as participation, public input and plan maintenance already identified in a previously approved hazard mitigation plan. The planning sub-application must cite the location(s) in the current approved hazard mitigation plan where the process limitations are being addressed; and,
- Modify actions and strategy in a previously approved hazard mitigation plan.

Comprehensive review and updates to hazard mitigation plans may include risk assessment activities as described in Section 4.1.4, Risk Assessment.

4.1.4. RISK ASSESSMENT

Risk assessment activities, including the use of HAZUS and Geographic Information Systems (GIS), may be submitted **as part of** a planning sub-application. Risk assessment activities may include the mapping of hazards, (with the exception of flood mapping, see Section 4.2, Ineligible Mitigation Planning Activities), at-risk structures, including critical facilities, and repetitive flood loss structures, the location of at risk structures, land use, and populations. However, these limited mapping activities must be completed as part of a risk assessment and must lead to a new or appropriately amended mitigation strategy that addresses actions derived from the new information. **Mapping activity costs are limited to 30 percent of the total cost of the planning sub-application and MUST be identified as separate line items in the Cost Estimate (see Section 4.5, Cost Estimate).**

Mapping activities must not duplicate eligible mapping activities available under any other Federal program or agency, such as NFIP flood mapping activities (see Section 2.3.4, Program Restrictions). Applicants/Sub-applicants are required to make use of already developed materials and to seek available resources, such as state mapping initiatives and GIS resource repositories, and:

FEMA's Hazard Mapping Initiative: <http://www.hazardmaps.gov>;

U.S. Geological Survey (USGS) National Map View: <http://nationalmap.usgs.gov>;
and,

FEMA's Hazards U.S. (HAZUS): http://www.fema.gov/hazus/lk_main.shtm.

Risk assessment activities MUST be identified as separate line items in the Cost Estimate (see Section 4.5, Cost Estimate) for the planning sub-application in order to be considered.

4.1.5. INFORMATION DISSEMINATION

Sub-applicants may apply for up to 10 percent of the funds requested for their mitigation planning sub-application for information dissemination activities. These activities may include: public awareness, education, public notices, marketing and outreach and must relate directly to the planning sub-application. Information dissemination activities should be identified as separate line items in the Cost Estimate (see Section 4.5, Cost Estimate) for the planning sub-application.

4.1.6. SUB-APPLICANT MANAGEMENT COSTS

Sub-applicants may include a maximum of 5 percent of the total funds requested (Federal and non-Federal shares) for their planning sub-application for management costs to support the planning activities. Sub-applicant cost activities must be consistent with the Office of Management and Budget Circular A-87, Cost Principles for State and Local Governments. Sub-applicants requesting management costs should provide supporting documentation and include these costs as separate line items in the Cost Estimate (see Section 4.5, Cost Estimate) for the planning sub-application. Applicants may NOT request Sub-applicant management costs in their own planning sub-applications under any circumstance (see Section 3, Applicant Management Costs).

Indirect costs, if requested, must be included as part of the Sub-applicant management costs, not to exceed 5 percent of the total cost of the planning sub-application. Indirect costs in excess of the 5 percent management costs limit may NOT be used as the non-Federal cost share. There will be no exception to permit the increase in Sub-applicant management costs, and in no case will the total Federal share for any planning activity, including management costs, exceed \$1 million. Indirect costs must be supported with current Indirect Cost Rates approved by a Federal Cognizant Agency.

4.1.7. PRE-AWARD PLANNING COSTS

Eligible planning costs incurred prior to the grant award, but after the PDM application period has opened, are identified as pre-award planning costs. FEMA may fund pre-award planning costs at its discretion and as funds are available. Applicants and Sub-applicants may be reimbursed for pre-award planning costs for activities directly related to the development of the proposed planning activity, such as workshops, meetings and data collection. Pre-award planning costs should be identified as separate line items in the Cost Estimate (see Section 4.5, Cost Estimate) for the planning sub-application.

In lieu of requesting pre-award planning costs, Applicants and Sub-applicants may submit eligible costs incurred prior to award but after the PDM application period has opened as their non-Federal cost share (see Section 2.7.2, Non-Federal Cost Share).

4.2. INELIGIBLE MITIGATION PLANNING ACTIVITIES

In addition to the specific ineligible planning activities listed below, any planning effort that duplicates benefits received for the same purpose (i.e., an existing planning grant that has not closed prior to the PDM application deadline) (see Section 2.3.4.2, Duplication of Benefits) or that is within the primary authority of another Federal program (see Section 2.3.4.3, Duplication of Programs) will be considered ineligible.

The following planning activities are **NOT** eligible for the PDM grant program:

- Flood studies or flood mapping;
- Mapping activities that are not part of a risk assessment;
- Risk assessments, technical assistance, studies, or workshops not resulting in a FEMA-approved hazard mitigation plan;
- Information dissemination activities exceeding 10 percent of the total cost of the planning sub-application or that are not tied directly to a PDM planning sub-application;
- Any ground disturbing activity that would initiate the environmental review and compliance process;
- Pre-award activities not directly related to the development of the planning sub-application or implementing the proposed planning activity; and
- Limited revisions and amendments that do not result in a comprehensive hazard mitigation plan update.

4.3. MITIGATION PLAN REQUIREMENTS

Planning activities **MUST** meet the following criteria:

- **The outcome of a mitigation planning sub-grant award MUST be a FEMA-approved hazard mitigation plan that complies with the requirements of 44 CFR Part 201.** Hazard mitigation plans must be reviewed, adopted by the jurisdiction, and FEMA-approved before the end of the performance period (see Section 4.10, Performance Period);
- For Sub-applicants, a completed Local Plan Review Worksheet available on the FEMA website: www.fema.gov/fima/planning or from the Regional Office (see Section 2.14, Regional Contact Information) must be submitted to FEMA with the hazard mitigation plan, demonstrating that all criteria required for approval have been addressed within the hazard mitigation plan;
- Countywide or multi-jurisdictional hazard mitigation plans may be submitted for funding, as many mitigation issues are better resolved by evaluating hazards in a more comprehensive fashion. However, each jurisdiction to be covered by a multi-jurisdictional hazard mitigation plan must participate in the planning effort and adopt the hazard mitigation plan in order to receive credit for the plan when applying for mitigation grants;
- Mitigation planning activities must focus primarily on natural hazards but also may address hazards caused by manmade forces;
- Local, multi-jurisdictional, or college/university planning activities must be consistent with the goals and objectives identified in the Applicant's hazard mitigation plan;
- Planning activities to upgrade or comprehensively update an existing FEMA-approved hazard mitigation plan must clearly build on the existing hazard mitigation plan and

result in a significant improvement in quality, detail, and/or involvement of a broader range of public and private sector partners;

- Planning activities must be unique to hazard mitigation planning and not primarily associated with programs for which another Federal program has the primary authority (see Section 2.3.4, Program Restrictions) [*e.g.*, the Natural Resources and Conservation Service has primary responsibility for funding watershed management plans]; and,
- Planning activities must meet the requirements of Federal, state, tribal, local laws, and Executive Orders, as appropriate.

4.4. SCOPE OF WORK

The Scope of Work (SOW) states the objectives, methodology, feasibility, outcomes, timeline, milestones, resources, deliverables, and benefits of, as well as reasons for, the proposed planning activity.

The mitigation planning sub-application SOW must describe the development of a hazard mitigation plan that complies with FEMA's regulatory requirements in 44 CFR Part 201. The SOW must first state whether the proposed planning activity will result in an initial hazard mitigation plan, upgrade, or comprehensive update of an existing hazard mitigation plan. If the latter, the reason(s) for the update (*e.g.*, acquisition of better data, recent disaster activity, changes in local growth and development trends) must be provided.

A mitigation planning SOW should consist of two main elements: a description of the planning process and a work schedule for plan development. Both of these elements should clearly demonstrate the Applicant's familiarity with the applicable regulatory requirements and the available technical and programmatic guidance. **Planning sub-applications that do not include an adequate description of the proposed planning activity will be less competitive, or in some cases may be deemed completely inadequate and removed from further consideration.**

A sample outline and content for a planning SOW to assist in developing an adequate description of the proposed planning activity is available on the FEMA Mitigation Planning webpage (<http://www.fema.gov/fima/planning>) to assist Applicants and Sub-applicants in developing planning sub-applications.

4.4.1. DESCRIPTION OF PLANNING PROCESS

In a planning grant SOW, the description of the plan development process will typically comprise several sub-elements that, when completed, meet the applicable requirements promulgated in 44 CFR Part 201. These regulatory planning requirements are described in detail in FEMA's March 2003 publication Hazard Mitigation Planning Guidance (available online at <http://www.fema.gov/fima/guidance.shtm>). Guidance on the planning process is described in FEMA's series of Mitigation Planning How-To guides, which are available at <http://www.fema.gov/fima/planhowto.shtm>. The SOW should thoroughly document each of these steps, including what will be done, and how it will be done, and who will be responsible for the completion of each step (*e.g.*, contract personnel or in-house staff). It should also explain how the public and other interested jurisdictions, agencies, and organizations will be involved throughout (*e.g.*, workshops, community outreach).

4.4.2. WORK SCHEDULE

The work schedule should indicate the anticipated timeline for each step of the process and should allow sufficient time for State and FEMA review, preparation of any required revisions, subsequent reviews, formal plan adoption, and FEMA approval.

4.4.3. SCOPE OF WORK CHANGES, INCLUDING COST OVERRUNS

FEMA will not consider changes to the SOW between the close of the application period and the completion of the selection process (see Section 2.9.1, Selection) and no changes will be approved for cost overruns. Requests for changes to the SOW **after award** are permissible as long as they do not change the nature of the activity. Requests must be supported by adequate justification from the Applicant/Grantee in order to be processed. The justification is a description of the proposed change; a written explanation of the reason or reasons for the change; an outline of remaining funds available to support the change; and a description of the work necessary to complete the activity. All approvals will be at FEMA's discretion, and there is no guarantee that SOW changes will be approved.

4.5. COST ESTIMATE

The Cost Estimate describes all anticipated and potential costs associated with the proposed planning activity and represents the Sub-applicant's best estimate of the total value of the proposed activity. Sufficient detail should be provided regarding various cost item categories such as labor, materials, equipment, subcontract costs, etc, and include anticipated cash and in-kind (donated) non-Federal cost share. **In particular, the labor cost line item MUST estimate anticipated donated in-kind labor from various community agencies and/or other participating jurisdictions that will count toward the non-Federal cost share in order to be considered.**

The Cost Estimate MUST include:

- Costs associated with any mapping activities or risk assessment, information dissemination activities, and Sub-applicant management costs: **These MUST be identified as separate line items** in order to be considered to ensure that cost thresholds for these activities are not exceeded (see Section 4.1, Eligible Mitigation Planning Activities);
- Pre-award costs: Indicate all costs that may be incurred prior to grant award but subsequent to the PDM application period opening. These should be identified as **separate line items** (see Section 4.1.7, Pre-award Planning Costs);
- Potential cost under-runs: Indicate any item for which a cost has been over-estimated which could result in a cost under-run. (For example, if the quotation received from a contractor will increase if the sub-application is not awarded for up to one year after the date of the receipt of initial quotation, this cost should be over-estimated and noted as such.)

Back-up documentation for all costs, including the basis for each, (e.g., salary and fringe benefit rates for personnel involved in the project, bids from qualified professionals, nationally published or local cost estimating guides) **must** be provided prior to award (see Section 4.9,

FEMA Pre-award Activities). **Planning sub-applications that propose a Federal share in excess of \$1 million will not be accepted.**

4.5.1. COST ESTIMATE CHANGES

FEMA will not consider changes to the Cost Estimate between the close of the application period and the completion of the selection process (see Section 2.9.1, Selection). FEMA will NOT approve changes for cost overruns.

Revisions to the approved budget may be considered after the selection process so long as the approved deliverable is not adversely impacted. In accordance with 44 CFR Part 13, adjustments may be made among cost line items in the approved budget up to a cumulative threshold of 10 percent of the total budget without seeking formal approval from FEMA. Adjustments exceeding this threshold must be approved in advance by FEMA. As with Scope of Work changes, requests for a budget revision must be supported by adequate justification from the Applicant/Grantee in order to be processed. In any case, the limitations on mapping, information dissemination, and Sub-applicant management costs still apply, and the Federal share will not be increased.

4.6. EVALUATION INFORMATION

Completion of Evaluation Information section of the planning sub-application is **required** for the PDM grant program. Responses to questions in this section will be used to support competitiveness in both the National Ranking and Evaluation processes (see Section 4.8.2, National Ranking and 4.8.3, National Evaluation). Therefore, responses for each question are required, even if the information is provided in another section of the planning sub-application.

The assessment of the frequency (high, moderate, low, very low, not applicable) and severity (catastrophic, extensive, serious, minor) of an event for various hazards may be better addressed by the Applicant than the Sub-applicant in most cases because the information to complete this question can be found in the hazard identification section of the State/Tribal Mitigation Plan. Therefore, a response is not required of the Sub-applicant. However, if the Sub-applicant responds to the question, the Applicant **MUST** review the information before submitting the planning sub-application (see Section 2.6.3, Applicant Review of Sub-applications) to ensure that it is correct and **MUST** cite the source of the hazard risk assessment (*e.g.*, page 50, hazard (state mitigation plan, hazard identification section)). **Planning sub-applications without complete responses to the Evaluation Information section questions and supporting documentation for the risk assessment will be removed from further consideration.**

4.7. PLANNING SUB-APPLICATION CHECKLIST

Mitigation planning sub-applications **MUST** include all of the following to be eligible for consideration under the PDM grant program:

1. **Applicant Information:** Provide name, type, and state of Sub-applicant, state and Federal tax numbers, and Federal Employer Identification Number;
2. **Contact Information:** Provide the name, agency, and address of the point of contact (POC) for the Sub-applicant. The POC **MUST** be an official within the Sub-applicant's organization;

3. **Sub-application Name:** Applicants should verify that the sub-application name includes the location of the proposed activity and the activity type;
4. **Community Information:** Select the community or entity (*i.e.*, Indian tribe, college, university) that will benefit from the sub-application. If the community or entity is not listed, please advise the FEMA Regional Office (see Section 2.14, Regional Contact Information). Provide a Community Profile with a brief description of the community to include population, location, any geographic areas of interest, description of critical facilities of a national, statewide, or regional significance. For multi-jurisdictional planning sub-applications, both an overall Community Profile, and a brief profile for each participating jurisdiction should be provided, as well as information on how the multi-jurisdictional planning effort will be coordinated;
5. **Mitigation Plan Information:** Indicate whether the entity that will benefit from the sub-application and the state/Indian tribe are covered by a FEMA-approved hazard mitigation plan and identify any previous planning grants received;
6. **Mitigation Activity Information:** Indicate the type, intent and title of the proposed planning activity. If the proposed planning activity is a comprehensive update to an existing FEMA approved hazard mitigation plan, indicate how it will address identified deficiencies in a risk assessment. The updated hazard mitigation plan **MUST** include a modified mitigation strategy and corresponding action items;
7. **Hazard Information:** Describe the area to be covered by the planning activity and identify the source of the hazards to be addressed in the planning activity. Include a synopsis and history of hazards affecting the community or entity, and other applicable information that will clarify the need for the mitigation planning effort. Attach a map with the planning area identified;
8. **Scope of Work:** Describe the goals and objectives of the planning activity and how it will be implemented (see Section 4.4, Scope of Work). For multi-jurisdictional planning sub-applications, provide information on how the multi-jurisdictional planning effort will be coordinated;
9. **Cost Estimate:** Provide all anticipated and potential costs for each proposed planning activity, including Federal and non-Federal shares (see Section 4.5, Cost Estimate). Provide an Approved Indirect Cost Agreement, if applicable;
10. **Match Sources:** Provide the non-Federal cost share for the proposed activity, including documentation to support the non-Federal cost share and Sub-applicant status as a small, impoverished community, if appropriate, for Federal cost share of up to 90 percent (see Section 2.7, Cost Share Requirements);
11. **Cost-Effectiveness Information:** All planning grants are exempt from a BCA; therefore, a BCA is not required to be submitted with planning sub-applications;
12. **Evaluation Information:** Provide responses to the Evaluation Information section questions for each planning sub-application for competitive National Ranking and Evaluation and provide documentation to support the hazard risk assessment (see Section 4.6, Evaluation Information); and,
13. **Assurances and Certifications:** If applicable for your Applicant state/Indian tribe, complete the Summary Sheet for Assurances and Certification, FEMA Form 20-16; Assurances - Non-Construction Programs, FEMA Form 20-16A; Certification Regarding Lobbying; Debarment, Suspension and Other Responsible Matters; and Drug-Free

Workplace Requirements, FEMA Form 20-16C; and, Disclosure of Lobbying Activities, Standard Form LLL.

Incomplete sub-applications will be removed from further consideration.

FEMA has determined that planning activities are Categorically Excluded (CATEX) from the preparation of an Environmental Assessment or Environmental Impact Statement under NEPA pursuant to 44 CFR 10.8(d)(2)(iii). Therefore, Environmental and Historic Preservation documentation is not required to be submitted with mitigation planning sub-applications. Applicants should select “No” for the CATEX questions in the Environmental Historic Preservation Information Section in *eGrants* for planning sub-applications during their review process (see Section 2.6.3, Applicant Review of Sub-applications).

4.8. FEMA REVIEW, NATIONAL RANKING AND NATIONAL EVALUATION

4.8.1. FEMA REVIEW

FEMA will review all planning sub-applications to ensure the following:

- Eligibility of the Applicant/Sub-applicant (see Section 2.3, Grant Program Eligibility);
- Eligibility of proposed planning activities and costs (see Section 4.1, Eligible Mitigation Planning Activities);
- Completeness of the sub-application (see Section 4.7, Planning Sub-application Checklist);
- Consistency of the proposed planning activity with the goals and objectives of the Applicant’s state/Tribal hazard mitigation plan;
- Adequacy of the justification for the proposed planning activity if the Sub-applicant already has a FEMA-approved hazard mitigation plan or has already received a planning grant;
- Completeness of Scope of Work (see Section 4.4, Scope of Work);
- Completeness of the Cost Estimate and consistency with the Scope of Work (see Section 4.5, Cost Estimate);
- Eligibility and availability of non-Federal cost share (see Section 2.7, Cost Share Requirements); and
- Complete responses to Evaluation Information section questions for National Ranking and Evaluation, including the assessment of the frequency and severity of hazards (see Section 4.6, Evaluation Information).

Planning sub-applications that do not satisfy the eligibility and completeness requirements will be removed from consideration.

4.8.2. NATIONAL RANKING

FEMA will score all eligible planning sub-applications on the basis of predetermined, objective, quantitative factors to calculate a National Ranking Score (see Sections 2.8.2 and 2.8.3, National Ranking and National Evaluation). Ranking factors for mitigation planning activities and the respective weighting of each in the National Ranking are:

1. The priority given to the sub-application by the Applicant in their PDM grant application (see Section 2.6.4. Grant Application Checklist) (35 percent);

2. Assessment of frequency and severity of hazards (see Section 4.6, Evaluation Information) (30 percent);
3. Whether the Applicant has a FEMA-approved Enhanced State/Tribal hazard mitigation plan by the application deadline (15 percent);
4. Community mitigation factors such as Community Rating System class, Cooperating Technical Partner, participation as a Firewise Community, and adoption and enforcement of codes including the International Code Series and National Fire Protection Association 5000 Code, as measured by the Building Code Effectiveness Grading Schedule (15 percent); and,
5. Status of the local Sub-applicant as a small, impoverished community (5 percent).

4.8.3. NATIONAL EVALUATION

National panels will convene to evaluate planning sub-applications forwarded from the National Ranking on the basis of predetermined qualitative factors to determine a National Evaluation Score for each planning sub-application (see Section 2.8.3, National Evaluation). Evaluation factors for mitigation planning activities and the respective weighting of each in the National Evaluation are:

1. Thoroughness of SOW to describe the methodology for completing the proposed mitigation plan (30 percent)
2. Potential benefits of the proposed mitigation planning process to constituents (25 percent);
3. Sufficient staff and resources for implementation of the proposed mitigation planning process (20 percent);
4. Identification of appropriate and useful performance measures to assure the success of the proposed mitigation planning activity (10 percent); and,
5. Leveraging of Federal/State/Tribal/territorial/local/private partnerships to enhance the outcome of the proposed mitigation planning activity (10 percent);
6. Description of unique or innovative outreach activities appropriate to the planning process (*e.g.*, press releases, success stories) that advance mitigation and/or serve as a model for other communities (5 percent).

4.9. FEMA PRE-AWARD ACTIVITIES

FEMA Regional Offices will work with Applicants who have planning sub-applications selected for further review to implement required pre-award activities prior to grant award (see Section 2.9.2, FEMA Pre-award Activities). FEMA may, at its discretion, request information or documentation from Applicants to resolve outstanding administrative or procedural requirements as part of its pre-award activities.

In accordance with 44 CFR 10.8(d)(2)(iii), FEMA has determined that mitigation planning activities have no impact on the environment and will require no further environmental or historic preservation review. Therefore, environmental or historic preservation documentation is not required for planning activities.

4.10. PERFORMANCE PERIOD

Mitigation planning sub-grant performance periods may not exceed three years (see Section 2.3.4, Program Restrictions). **Planning sub-applications that propose a work**

schedule in excess of three years will not be accepted. Hazard mitigation plans must be reviewed, adopted, and FEMA-approved before the end of the performance period (see Section 4.3, Mitigation Plan Requirements). **If a hazard mitigation plan has not received final approval by FEMA by the close of the performance period, FEMA will terminate the planning sub-grant and any costs incurred after the sub-grant termination will not be reimbursed by FEMA.** If the plan is not submitted to FEMA for approval by the final date of the period of performance, then the final closeout report for the grant will not reflect completion of the work required under the grant agreement. No additional planning grants will be awarded for plan completion. Planning processes, plan adoption and plan approval may continue after the performance period has expired at the expense of the entity developing the plan. Requests for extensions to the performance period will be considered but are not guaranteed (see Section 2.12, Extensions).

SECTION 5. MITIGATION PROJECT SUB-APPLICATION GUIDANCE

The PDM program seeks to reduce damages and the loss of life and property from natural hazards through the development and implementation of mitigation projects that are consistent with the goals and objectives identified in hazard mitigation plans. Mitigation is defined as sustained action taken to reduce or eliminate long-term risk to people and property from hazards and their effects. Effective mitigation projects are critical to reducing hazard vulnerabilities and are a key component of the PDM program. Applicants/Sub-applicants **MUST** complete a project sub-application for each mitigation project proposed for PDM funding.

5.1. ELIGIBLE MITIGATION PROJECT ACTIVITIES

Proposed hazard mitigation projects must primarily focus on natural hazards but also may address hazards caused by manmade forces. **Funding is restricted to a maximum of \$3 million Federal share per project sub-application.**

The following are examples of eligible mitigation projects:

- Voluntary acquisition of real property (i.e. structures and land, where necessary) for conversion to open space in perpetuity (select from the 200 series in the Mitigation Activity section in *eGrants*);
- Relocation of public or private structures (select from the 201 series in the Mitigation Activity section in *eGrants*);
- Elevation of existing public or private structures to avoid coastal or riverine flooding (select from the 202 series in the Mitigation Activity section in *eGrants*);
- Structural retrofitting and non-structural retrofitting (*e.g.*, storm shutters, hurricane clips, bracing systems) of existing public or private structures to meet or exceed applicable building codes relative to hazard mitigation (select from the 205 series in the Mitigation Activity section in *eGrants*);
- Construction of safe rooms (tornado and severe wind shelters) for public and private structures that meet the FEMA construction criteria in FEMA 320 “Taking Shelter from the Storm” and FEMA 361 “Design and Construction Guidance for Community Shelters” (select 206.1 or 206.2 in the Mitigation Activity section in *eGrants*);
- Vegetation management for natural dune restoration, wildfire or snow avalanche (select from the 300 series in the Mitigation Activity section in *eGrants*);
- Protective measures for utilities (*e.g.* electric and gas); water and sanitary sewer systems and/or infrastructure (roads and bridges) (select 401.1 or 402.1 in the Mitigation Activity section in *eGrants*);
- Stormwater management projects (*e.g.*, culverts, retention basins) to reduce or eliminate long-term risk from flood hazards (select from the 403 series in the Mitigation Activity section in *eGrants*); and,
- Localized flood control projects, such as certain ring levees, bank stabilization, and floodwall systems that are designed specifically to protect critical facilities (defined as Hazardous Materials Facilities, Emergency Operation Centers, Power Facilities, Water Facilities, Sewer and Wastewater Treatment Facilities, Communications Facilities, Emergency Medical Care Facilities, Fire Protection, and Emergency Facilities) and that do not constitute a section of a larger flood control system (select 404.1, Localized Flood Control System to Protect Critical Facility, in the Mitigation Activity section in *eGrants*).

Any of the above mitigation projects for a critical facility, as defined above, may include the purchase of a generator or related equipment purchases (*e.g.*, generator hook-ups) as a functional portion to the larger eligible mitigation project sub-application, as long as the generator or related equipment purchase directly relates to the hazard(s) that threatens the critical facility.

5.1.1. INFORMATION DISSEMINATION

Sub-applicants may request up to 10 percent of the funds requested for their mitigation project sub-application for information dissemination activities (public awareness and education) regarding cost-effective mitigation technologies. These activities may include marketing and outreach (*e.g.*, brochures, videos) and must relate directly to the project sub-application. Any information dissemination activities should be identified as separate line items in the Cost Estimate (see Section 5.5, Cost Estimate) for the project sub-application.

5.1.2. SUB-APPLICANT MANAGEMENT COSTS

Sub-applicants may include a maximum of 5 percent of the total funds requested (Federal and non-Federal shares) for their project sub-application for management costs to support the project. Sub-applicant cost activities must be consistent with the Office of Management and Budget Circular A-87, Cost Principles for State and Local Governments. Sub-applicants requesting management costs should provide supporting documentation and include these costs as separate line items in the Cost Estimate (see Section 5.5, Cost Estimate) for the project sub-application in order to be considered. **Management costs also MUST be included in the project's Benefit-Cost Analysis** (see Section 5.6, Cost Effectiveness). Applicants may NOT request Sub-applicant management costs in their own project sub-applications under any circumstance (see Section 3, Applicant Management Costs).

Indirect costs, if requested, must be included as part of the Sub-applicant management costs, not to exceed 5 percent of the total cost of the project sub-application. Indirect costs in excess of the 5 percent management cost limit may NOT contribute towards the non-Federal cost share. **There will be no exception to permit the increase in Sub-applicant management costs, and in no case will the total Federal share for any project, including management costs, exceed \$3 million.** Indirect costs should be supported with a current Indirect Cost Rate that is approved by a Federal Cognizant Agency.

5.1.3. PRE-AWARD PROJECT COSTS

Eligible project costs incurred prior to the grant award, but after the PDM application period has opened, are identified as pre-award project costs. FEMA may allow pre-award project costs at its discretion and as funds are available. Applicants and Sub-applicants may be reimbursed for pre-award costs incurred after the publication of the PDM Guidance for activities directly related to the development of the project proposal. Activities may include, but are not limited to, development of the Benefit-Cost Analysis and environmental/historic preservation data and documentation and engineering design. Pre-award project costs should be identified as separate line items in the Cost Estimate (see Section 5.5, Cost Estimate) for the project sub-application. Pre-award project costs associated with implementation of the project started prior to award will **not** be eligible.

In lieu of requesting pre-award project costs, Applicants and Sub-applicants may submit eligible costs incurred prior to award but after the PDM application period has opened as their non-Federal cost share (see Section 2.7.2, Non-Federal Cost Share).

5.2. INELIGIBLE PROJECT ACTIVITIES

The following project activities are **NOT** eligible for the PDM grant program:

- Major flood control and/or erosion projects such as the construction or repair of dikes, levees, floodwalls, seawalls, groins, jetties, breakwaters, dams, waterway channelization, and beach nourishment or re-nourishment;
- Water quality infrastructure projects (see Section 2.3.4.3, Duplication of Programs);
- Projects that address ecological or agricultural issues related to land or forest management (*e.g.*, insects, diseases, weather-related damages, infestations);
- Warning and alert notification systems (*e.g.*, NOAA weather radios);
- Any phase or part of a project that is dependent on another phase or part that is not included in the project sub-application to be effective and/or feasible;
- Studies that do not result in a project (*e.g.*, engineering designs, feasibility studies, or drainage studies that are not integral to the proposed project);
- Flood studies or flood mapping;
- Dry floodproofing of residential structures;
- Generators and related equipment (*e.g.*, generator hook-ups) for non-critical facilities (see Section 5.1, Eligible Mitigation Project Activities);
- Any mitigation activities involving demolishing an existing structure and building a new structure (*i.e.*, demolition/rebuild) in floodplains;
- Projects that solely address a manmade hazard;
- Response and communication equipment;
- Projects that solely address maintenance or repairs of existing structures, facilities, or infrastructure (*e.g.*, dredging, debris removal, dam repair/rehabilitation);
- Localized flood control projects that do not protect a critical facility;
- Localized flood control projects that constitute a section of a larger flood control system; and,
- Any project for which another Federal agency has primary authority (see Section 2.3.4.3, Duplication of Programs).

Project sub-applications that propose ineligible activities will be removed from further consideration. FEMA will NOT parse eligible activities from ineligible project sub-applications for funding consideration.

5.3. MITIGATION PROJECT REQUIREMENTS

5.3.1. PLAN REQUIREMENT

All Applicants MUST have a FEMA-approved State/Tribal Standard or Enhanced hazard mitigation plan by the last day of National Evaluation (see 2.9.1 Selection) to be eligible to receive project grant funding under the PDM program in accordance with 44 CFR Part 201. In addition, all Sub-applicants MUST have a FEMA-approved hazard mitigation plan by the last day of National Evaluation to be eligible to receive project grant funding under the PDM program. Therefore, Applicants and Sub-applicants that do not currently have a FEMA-approved hazard mitigation plan must ensure that they have an

approved hazard mitigation plan by the last day of National Evaluation in order to receive project grants.

Projects submitted for consideration **MUST** be consistent with the goals and objectives identified in the current FEMA-approved State/Tribal hazard mitigation plan and the Tribal/local/university hazard mitigation plan for the jurisdiction in which the activity is located.

5.3.2. FEASIBILITY/EFFECTIVENESS REQUIREMENT

Mitigation projects funded by the PDM Program must be both feasible and effective at mitigating the hazard(s) for which the project was designed. To determine both feasibility and effectiveness, FEMA will use the information provided in the project sub-application, including the Scope of Work and Cost Estimate sections, as well as any supporting documentation to perform an Engineering Technical Review of the proposed project (see Section 5.10.1.1, Engineering Technical Review). If applicable, proposed schematic or detailed engineering drawings, or engineering designs for projects that demonstrate the design parameters and how the project will achieve the stated objectives **MUST** be included to allow FEMA to assess the effectiveness and feasibility of the proposed project.

Project sub-applications **MUST** address the level of protection provided by the proposed project as well as any residual risk to the structure after project implementation (see Section 5.4, Scope of Work). Certain retrofitting measures may increase risk to the structure from multiple natural hazards. For example, elevation to decrease adverse effects from flooding may increase exposure to wind and seismic hazards. Therefore, vulnerabilities to all hazards should be considered.

Upon request, after the application period has opened, FEMA will provide technical assistance regarding engineering documentation and cost estimation (see Section 6, Technical Assistance). **Project sub-applications that do not include appropriate documentation to support the determination of feasibility and effectiveness will be less competitive, or in some cases may be deemed completely inadequate and removed from consideration.**

5.3.3. ELIGIBILITY CRITERIA

Mitigation projects also **MUST** meet the following criteria:

- Be cost-effective and able to substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster, consistent with 44 CFR 206.434(c)(5) and related guidance, and have a BCA using a FEMA-approved methodology that results in a Benefit-Cost Ratio (BCR) of 1.0 or greater (see Section 5.6, Cost Effectiveness). **Only mitigation projects with a Benefit-Cost Ratio of 1.0 or greater will be considered for the PDM program;**
- Solve a problem independently, consistent with 44 CFR 206.434(c)(4);
- Conform with 44 CFR Part 9, Floodplain Management and Protection of Wetlands, and 44 CFR Part 10, consistent with 44 CFR 206.434(c)(3);

- Not duplicate benefits available from another source for the same purpose or assistance that another Federal agency or program has the primary authority to provide (see Part 3.4, Program Restrictions);
- Not be located in a coastal barrier area as defined by the Coastal Resource Barrier Act (CRBA). Restrictions in this Act prevent the use of PDM funds in any designated CBRA area;
- Be located in a community that is participating in the NFIP and not on probation, suspended or withdrawn from the NFIP if the community has been identified as having a Special Flood Hazard Area through the NFIP (i.e., a FHBM or FIRM has been issued to the entity); and,
- Meet the requirements of applicable Federal, state, Indian tribal, territorial, and local laws, implementing regulations, and executive orders.

5.3.4. PROPERTY ACQUISITION AND RELOCATION REQUIREMENTS

For property acquisition and relocation projects, Applicants and Sub-applicants must comply with additional requirements consistent with 44 CFR 206.434(e).

Sub-applicants for property acquisition and relocation projects must include the following in their application:

- A Letter of Interest from the owner of each property identified in the SOW;
- The Sub-applicant should establish and document a fair market value for each parcel and include it in the cost estimate. The fair market value must be derived using a reasonable methodology that has been consistently applied throughout the community, such as independent appraisals, opinions of value, or a formula based on tax assessments; and,
- The Uniform Relocation Act mandates that displaced tenants receive relocation assistance. This must be included in the cost estimate.

For property acquisition and relocation projects selected for further review (see Section 2.9.1, Selection), the Applicant's signed agreement of their assurances with the Sub-applicant regarding open space and deed restrictions, as well as the signed statements of voluntary participation, must be provided to FEMA prior to award (see Section 5.11, FEMA Pre-award Activities).

Sub-applicants requesting assistance for a real property acquisition or building relocation will enter into an agreement with the Applicant that includes assurances that they acknowledge and will comply with conditions described in this section. The agreement must also include the deed restriction language that the local government will record with each property deed.

A Model Deed Restriction is available on FEMA's PDM web page:

<http://www.fema.gov/fima/pdm> or from the Regional Office (see Section 2.14, Regional Contact Information). Deed restriction modifications are subject to review by FEMA's Office of General Counsel. **Open space acquisition projects without these formal assurances will not be funded by the PDM program** (see Section 5.11 FEMA Pre-award Activities).

The following conditions apply to the grant and must be included in the agreement:

- Participation by property owners is voluntary. The prospective participants were informed in writing that participation in the program is voluntary and that the Sub-applicant will not use its eminent domain authority to acquire their property for the project purposes should negotiations fail. A Model Statement of Voluntary Participation is available on FEMA's PDM web page: <http://www.fema.gov/fima/pdm> or from the Regional Office (see Section 2.14, Regional Contact Information);
- The Sub-applicant accepts all of the requirements of the deed restriction governing the use of the PDM grant and use of the land;
- In consultation with the U.S. Army Corps of Engineers, the Sub-applicant has addressed and considered the potential future use of these lands for the construction of flood damage reduction levees, has rejected consideration of such measures in the future in the project area, and instead has chosen to proceed with acquisition of permanent open space;
- The Sub-applicant has coordinated with its State Department of Transportation to ensure that no future, planned improvements or enhancements are under consideration that will affect the proposed project area;
- Land acquired for open space purposes under the PDM program will be restricted in perpetuity to open space uses and will be unavailable for the construction of flood damage reduction levees and other incompatible purposes;
- Existing buildings will be removed within 90 days of settlement;
- Post grant award, the Sub-grantee will transfer a property interest in the land only with the prior approval of the FEMA Regional Director and only to another public entity or to a qualified conservation organization;
- Every three years, the Sub-grantee must submit to the Grantee, who will submit to FEMA Regional Director a report certifying that it has inspected the subject property within the month preceding the report, and that the property continues to be maintained consistent with the provisions of the grant. If the subject property is not maintained according to the terms of the grant, the Grantee and FEMA, its representatives, and assigns are responsible for taking measures to bring the property back into compliance; and,
- After settlement, no disaster assistance for any purpose from any Federal entity may be sought or provided with respect to the property.

For acquisition projects, changes to the properties in an approved mitigation project will be considered by FEMA but not approved automatically. The Applicant/Sub-applicant **MUST** identify the alternate properties in the project application and **MUST** include a Benefit-Cost Analysis for each alternate property in order to be considered. However, the alternate properties must **NOT** be included in the Cost Estimate or the overall project Benefit-Cost Analysis (see Section 5.6, Cost Effectiveness). Eligible properties may be substituted as alternatives in the application as long as the substitution does not change the overall nature of the project or increase the amount of the Federal share and were included as alternatives in the sub-application.

Sub-applicants considering the purchase of property (or adjacent to property) with past or present commercial or industrial use should ensure that the owner provides information identifying what, if any, hazardous materials are on the property. Before purchasing commercial or industrial properties, the Sub-applicant must require the owner to remove hazardous materials and containers. The owner must provide a clean-site certification from the appropriate state agency before the Sub-applicant can purchase any interest in the property, including easements for development rights. Clean-up costs are not eligible project costs. When the Sub-applicant purchases open space easements for development rights only, the seller also must agree to indemnify the state, FEMA, and the Sub-applicant for any liability arising from previous contamination of the property.

The presence of non-leaking underground storage tanks, septic systems, home heating oil tanks, and normal quantities of lead, asbestos, and household hazardous materials does not preclude the use of PDM funds for acquisition. However, applicable local permitting ordinances, state laws, as well as Federal laws, regulations, and Executive Orders must be followed. The costs of removing these items should be addressed in the project Cost Estimate (see Section 5.5, Cost Estimate).

5.3.5. SPECIAL FLOOD HAZARD AREA REQUIREMENTS

The following requirements apply to any project to alter existing structures that are sited within a Special Flood Hazard Area (SFHA):

- When the project is implemented, all structures that will **not** be demolished or relocated out of the SFHA must be covered by flood insurance to an amount at least equal to the project cost or to the maximum limit of coverage made available with respect to the particular property, whichever is less; and,
- The participating property owner(s) must agree that the Sub-applicant will legally record with the property's deed a notice that states:
"This property has received Federal hazard mitigation assistance. Federal law requires that insurance coverage on this property must be maintained during the life of the property regardless of transfer of ownership of such property. Pursuant to 42 U.S.C. §5154a, failure to maintain flood insurance on this property may prohibit the owner from receiving Federal disaster assistance with respect to this property in the event of a flood disaster. The property owner is also required to maintain this property in accordance with the flood plain management criteria of Title 44 of the Code of Federal Regulations Part 60.3 and City/County Ordinance."

For example, owners of elevated properties must purchase and maintain flood insurance; a project involving the acquisition of agricultural easement would require insurance on a remaining building; or in a project where hurricane shutters are installed on a building within the SFHA, insurance is required even though it is not a flood mitigation project. The status of flood insurance for properties included in project sub-applications sited in SFHAs are subject to FEMA review prior to award (see Section 5.11, FEMA Pre-award Activities).

Applicants receiving assistance for projects sited in a SFHA will ensure that these requirements are met by requesting the participating property owner(s) to sign a notice of the conditions for receiving FEMA grant funds for projects in a SFHA. A Model Notice of

Conditions for Receiving FEMA Grant Funds for Projects in a Special Flood Hazard Area is available on the PDM web page: <http://www.fema.gov/fima/pdm> or from the FEMA Regional Offices. **Properties that do not meet these requirements will not be eligible to receive assistance under the PDM program** (see Part 4.12, FEMA Pre-award Activities).

5.3.6. INCOME TAX ON MITIGATION PROJECT FUNDS

FEMA mitigation payments that benefit property owners through the mitigation of their structures are not subject to federal income taxation. FEMA mitigation payments to acquire a property will be treated as an involuntary conversion for tax purposes. For more information, property owners should consult their IRS office or a tax advisor.

5.3.7. GEOCODING REQUIREMENTS

All approved mitigation projects funded by the PDM program must be geocoded using standard datum prior to award (see Section 2.3.3, Program Requirements). Geospatial coordinates, in the form of latitude and longitude with an accuracy of +/- 20 meters (64 feet), must be provided for all individual sites contained in the mitigation project, including:

- Individual property information on properties mitigated (*e.g.*, private and public structures and facilities), and
- Project sites for mitigation activities such as infrastructure protective measures (*e.g.*, bridges, culverts).

FEMA will work with Applicants to ensure this information is provided prior to award (see Section 5.11, FEMA Pre-award Activities).

5.3.8. PROJECT MAINTENANCE

FEMA is **not** responsible for project maintenance. FEMA will not pay for any future maintenance, such as dredging or debris removal, mowing open space, or ensuring hurricane shutters are operable. Sub-applicants must provide a maintenance plan that identifies the maintenance tasks and budget and the entity that will perform long-term maintenance and include a description of maintenance agreements to be in place for long-term upkeep of the proposed project prior to award (see Section 5.11, FEMA Pre-award Activities).

Maintenance costs must NOT be included in the Cost Estimate (see Section 5.5, Cost Estimate); **however, anticipated future maintenance costs MUST be included in the Benefit-Cost Analysis** (see Section 5.6, Cost Effectiveness).

5.4. SCOPE OF WORK

The Scope of Work (SOW) describes the objectives, methodology, outcomes, timeline, milestones, resources, and deliverables of the proposed hazard mitigation project and documents the benefits, feasibility, and effectiveness of the project. Project sub-applications that do not include an adequate description of the proposed project and the necessary supporting documentation will be less competitive, or in some cases may be deemed completely inadequate and removed from further consideration.

The project sub-application SOW should include the following as well as applicable references and supporting documentation:

- Purpose of the project (*i.e.*, what is the goal?);

- Clear, concise description of the proposed project and the means to implement and construct it (i.e., how will the project be implemented and by whom?). A description of any associated construction activities such as temporary access roads, staging yards, or borrow areas should also be provided;
- Outcomes (i.e., what are the expected accomplishments?);
- Feasibility and effectiveness provided by the proposed project (see Section 5.3.2, Feasibility/Effectiveness Requirement), including engineering design parameters and copies of or references to:
 - Proposed schematic or detailed engineering drawings, or engineering design;
 - Applicable building code/edition or engineering standard used (*e.g.*, for drainage projects this may be a state or local standard or requirement);
 - Level of protection provided by the proposed project (i.e., wind speed, building code/edition, debris impact standard). For example with a wind project this would include the level of protection for the entire building and whether the project is addressing all wind vulnerabilities. If the project does not address all of the wind vulnerabilities, identify what building components will still be vulnerable if the proposed project is implemented;
 - Any residual risk to the structure from all hazards after project implementation (i.e., adequacy of the structural systems, roof coverings, building envelope, or load path continuity);
- For new technology, information regarding laboratory tests, field-testing, and other aspects of the technology; and,
- Work schedule for all project tasks (*e.g.*, survey, appraisal, permitting, inspection requirements, site preparation), and significant milestones throughout the entire performance period, not to exceed three years (see Section 5.12, Performance Period).

Applicants/Sub-applicants should demonstrate that they can complete the project within the three-year performance period limitation. Project sub-applications that do not demonstrate the Applicant/Sub-applicant's ability to complete the project within the specified timeframe may be less competitive in the National Evaluation (see Section 5.10.3, National Evaluation).

5.4.1. DOCUMENTATION

Documentation provided will be used by FEMA to evaluate the SOW in order to determine eligibility of the proposed project sub-application. Therefore, where applicable, include attachments to provide details, supplementary data, references, and information requiring in-depth analysis, such as the Request for Proposals for a project contract, a study or report identifying the need for the proposed project, or a report on the successes of the community's existing mitigation efforts. Applicants/Sub-applicants should identify the project location(s) and the extent of the proposed project through a graphic and visual representation of the proposed project location(s) on at least a 1:24,000 scale U.S. Geological Survey (USGS) topographic map, site plan, and relevant photographs to be provided with the project sub-application.

Whenever possible, data that is being used to document existing conditions or the hazard itself should be obtained from recognized sources such as Federal agencies (*e.g.*, USGS and National Oceanic and Atmospheric Administration [NOAA]), state agencies, and academic

organizations. When using local data, include references and/or supporting documentation from qualified/credible sources (*e.g.*, professional engineer or local government records). Any deviations from standard procedures, methods, techniques, or best practices should be thoroughly explained and documented.

5.4.2. SCOPE OF WORK CHANGES

FEMA will NOT consider changes to the SOW between the close of the application period and the completion of the selection and award process and no changes will be approved for cost overruns. Requests for changes to the SOW after award are permissible as long as they do not change the nature of the activity, the feasibility and effectiveness of the project, or the Benefit Cost Ratio (see Section 5.6, Cost Effectiveness). Requests must be supported by adequate justification from the Applicant in order to be processed. The justification is a written explanation of the reason or reasons for the change; an outline of remaining funds available to support the change; and a description of the work necessary to complete the activity. There is no guarantee that SOW changes will be approved and all approvals will be at FEMA's discretion.

5.5. COST ESTIMATE

The Cost Estimate describes all anticipated and potential costs associated with the proposed project activity, and represents the Sub-applicant's best estimate of the total value of the proposed activity. Sufficient detail should be provided regarding various cost item categories such as labor, materials, equipment, subcontract costs, etc, and include anticipated cash and in-kind non-Federal match. In particular, the labor cost line item should estimate anticipated donated in-kind labor from various agencies and/or other participating jurisdictions that will count toward the non-Federal match. Documentation of all cost estimates provided, including the dates of estimates, as well as the anticipated date of construction should be provided, if applicable.

The Cost Estimate **MUST** include:

- All anticipated project costs, such as:
 - Conducting the Benefit-Cost Analysis (see Section 5.6, Cost Effectiveness);
 - Anticipated environmental resource remediation or historic property treatment measures (see Section 5.7, Environmental/Historic Preservation Compliance);
 - Engineering designs/specifications (see Section 5.3.2, Feasibility/Effectiveness Requirement);
 - Other related construction/demolition/relocation costs, such as survey, permitting, site preparation, material disposal; and,
 - Other related acquisition costs, such as appraisals, legal recordation, displacement costs for renters;
- Costs associated with any information dissemination activities and/or Sub-applicant management costs: These **should be identified as a separate line item** to ensure cost thresholds for these activities are not exceeded (see Section 5.1, Eligible Mitigation Project Activities);
- Pre-award costs: Indicate all costs that may be incurred prior to grant receipt but subsequent to the PDM application period opening. These should be identified as **separate line items**;

- Potential cost under-runs: Indicate any item in which a cost has been over-estimated which could result in a cost under-run. (For example, if a quotation received from a contractor will increase if the project is not awarded for up to one year after the date of the receipt of initial quotation, this cost should be over-estimated and noted as such.);
- Anticipated Future Funding: Describe identified sources of future funding once the initial grant has been implemented and no further funding will be available from the PDM program. (For example, will the local government be charged with supporting the project in the future, or will the Applicant agency be responsible?); and,
- Back-up documentation for all costs, including the basis for each should be provided (*e.g.*, salary and fringe benefit rates for personnel involved in the project, bids from qualified professionals, nationally published or local cost estimating guides).
- Maintenance costs are not eligible and should not be included in Cost Estimate but **MUST** be included in the Benefit-Cost Analysis (see Section 5.6, Cost Effectiveness).

Funding is restricted to a maximum of \$3 million Federal share for mitigation projects. Project sub-applications with a Federal share in excess of \$3 million will not be accepted. The amount of the Federal share will not be increased to cover any additional costs identified after the application deadline. If the Cost Estimate does not reflect the work proposed in the SOW, does not include all the costs for items proposed, or was prepared without adequate documentation, the Cost Estimate will be determined incomplete and the sub-application will be removed from further consideration.

5.5.1. DOCUMENTATION

Documentation provided will be used by FEMA to evaluate the Cost Estimate in order to determine eligibility. Applicants/Sub-applicants should avoid “lump sum” items whenever possible and provide references for all sources of the Cost Estimate (*e.g.*, RS Means). Identify sources of cost items (*e.g.*, documented local cost, bids from qualified professionals, published national or local cost estimating guides) and provide documentation supporting each source, as appropriate (*e.g.*, salary and fringe benefit rates for personnel involved in the project, bids from qualified professionals, published nationally or local cost estimating guides). If another project is used as the source of the Cost Estimate, detailed documentation showing the related project scope items should be provided.

The project should be identified with enough details so that material, labor and other costs associated with the project can be identified. The cost estimating tools used should be identified and a detailed Cost Estimate **MUST** be provided. Examples of cost estimating tools may include: national cost estimating guides; an Applicant’s own cost estimating guides; an estimate based on bids; or an estimate based on awarded contracts for similar work.

For example, the project proposes replacing a roof on an existing museum building. The roof is a low-slope roof with internal drainage only, in an area subject to snow and rainfall that may clog the drains. The project will completely remove the existing roof, install tapered insulation and place scuppers at the exterior wall locations. The Applicant/Sub-applicant has identified the size of the roof and has included a roof plan and roof sections and calculated the materials and labor needed to complete the job. The Applicant/Sub-applicant has

awarded a similar roofing job two years ago that they have used to estimate the costs of this project. The Applicant/Sub-applicant has included a copy of the costs for the other job, compared the SOW for the completed job and the proposed job, and updated the costs for the proposed project based on a national cost estimating guide and adjusted for inflation.

5.5.2. COST ESTIMATE CHANGES

FEMA will not consider changes to the Cost Estimate after the close of the application period until after the completion of the selection and award process, and no changes will be approved for cost overruns.

Revisions to the approved Cost Estimate may be considered after the selection and award process so long as the approved deliverable is not adversely impacted. In accordance with 44 CFR Part 13, adjustments may be made among cost line items in the approved budget up to a cumulative threshold of 10% of the total budget without seeking formal approval from FEMA. Adjustments exceeding this threshold must be approved in advance by FEMA. As with SOW changes, requests for a Cost Estimate revision must be supported by adequate justification from the Applicant/Sub-applicant in order to be processed. In any case, the limitations on information dissemination and Sub-applicant management costs still apply, and the Federal share will not be increased.

5.6. COST EFFECTIVENESS

The PDM program must fund cost-effective mitigation activities. To ensure this objective is met, a FEMA-approved Benefit-Cost Analysis (BCA) will be required for all mitigation projects. BCA is a well-established method for quantitatively comparing the benefits and costs of mitigation projects. The end result is a Benefit-Cost Ratio (BCR), which is derived from a project's total net present value of benefits (*i.e.*, the value of benefits today versus the value of future benefits after taking inflation and return into account) divided by the total project cost to include all documented project and maintenance costs.

The Applicant/Sub-applicant is required to perform a BCA for each property, including repetitive flood loss properties and substantially damaged properties. For projects that address multiple structures (*e.g.*, acquisition or elevation), the BCR must be calculated by totaling the anticipated or net present value of benefits for each structure to obtain the project's total net present value of benefits and dividing the total project benefits by the total project Cost Estimate. Applicants/Sub-applicants are encouraged to ensure that the BCA includes all benefits associated with the proposed mitigation project. **Project sub-applications with a BCR less than 1.0 will be removed from further consideration.**

The BCA will be a critical factor in the National Ranking (see Section 5.10.2, National Ranking); therefore, FEMA will convene a Benefit-Cost Technical Review panel of subject matter experts to conduct a detailed and comprehensive review of the BCAs for all mitigation projects (see Section 5.10.1.2, Benefit-Cost Technical Review).

The conduct of FEMA's BCAs are governed by the Office of Management and Budget (OMB) Circular A-94, Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs.

Accordingly, the benefits of mitigation projects are avoided damages, disruptions, losses, and casualties. Examples of common benefits include avoided or reduced:

- Damages to buildings, contents or infrastructure;
- Economic impacts of loss of function of buildings;
- Displacement costs for temporary quarters;
- Loss of public services;
- Loss of net business income;
- Economic impacts of loss of function of infrastructure;
- Road or bridge closures;
- Loss of utility services; and,
- Deaths and injuries.

The OMB circular excludes indirect benefits or “multiplier” effects, for example long-term changes in regional economic activity, future employment and tourism, which are not directly linked to the project. For further details of categories of benefits that may or may not be counted see “What is a Benefit? - Guidance on Benefit-Cost Analysis of Hazard Mitigation Projects” located on the Mitigation BCA Toolkit CD (see Section 6, Technical Assistance). This document provides standardized benefit categories, approaches, and data inputs for many common mitigation projects.

The cost of performing the BCA and providing supporting documentation may be included by the Sub-applicant as part of the project Cost Estimate (see Section 5.5, Cost Estimate) or by the Applicant as part of the Applicant management costs (see Section 3, Applicant Management Costs).

If the Applicant/Sub-applicant is submitting a project for which FEMA performed the BCA in the past, the Applicant/Sub-applicant must certify that they accept the BCA as their own by entering their own name as the Analyst before submitting the BCA as part of their project sub-application. Applicants/Sub-applicants submitting projects prepared for other FEMA mitigation programs are strongly encouraged to revisit the BCA(s) to ensure complete documentation of mitigation project benefits and costs.

5.6.1. METHODOLOGY

Applicants and Sub-applicants MUST use a FEMA-approved methodology to determine the BCA. Applicants and Sub-applicants are strongly encouraged to use FEMA’s BCA software for their analyses, which may be obtained from FEMA by contacting the BCA helpline via phone: 1-866-222-3580 or e-mail: bchelp@fema.gov (see Section 6.2.2, Benefit-Cost Analysis Technical Assistance) or the applicable FEMA Regional Office (see Section 2.14, Regional Contact Information). Using FEMA-approved software, the exception being the Flood Very Limited Data Module, will ensure that all calculations are prepared in accordance with OMB and FEMA’s standardized methodologies and approaches and will facilitate FEMA’s review process. **The Flood Very Limited Data Module may NOT be used to demonstrate cost-effectiveness for PDM project sub-applications, only to screen projects for cost-effectiveness.**

The OMB-mandated discount rate for the PDM program is 7 percent. This discount rate is incorporated into all FEMA software programs as a default and must **not** be modified.

Alternative non-FEMA BCA software may be used **only** when the proposed methodology either addresses a non-correctable flaw in FEMA's current BCA modules or proposes a new ideology that FEMA does not currently have available and cannot accommodate through the BCA modules. Alternative BCA methodologies will be considered **only** if the FEMA Regional Office and FEMA Headquarters approve the software prior to the Applicant's submission of the PDM grant application to FEMA. The Applicant **MUST** provide verification that FEMA has approved the alternative BCA software or methodologies. An e-mail or letter signed and dated by FEMA is considered appropriate verification. Applications using BCAs conducted with non-FEMA software not approved in advance by FEMA will not be considered for the PDM program.

FEMA has developed a simplified, alternative methodology to conduct the BCA, which may be used in lieu of a traditional BCA for certain properties insured under the NFIP and included in the Pilot NFIP Repetitive Loss Properties List. The list of properties and the guidance for using this alternative approach was provided to the FEMA Regional Offices under separate cover (information on the alternative approach is available on the FEMA website: <http://www.fema.gov/fima/pdm.shtm>). The Pilot NFIP Repetitive Loss properties may be combined in a project with other repetitive flood loss properties and/or non-repetitive flood loss properties; however, the alternative cost-effectiveness approach may only be used for the Pilot NFIP Repetitive Loss properties, and a representative BCR must be calculated for the project, as a whole.

5.6.2. DOCUMENTATION

FEMA will NOT consider project sub-applications without legible and complete BCAs. For each BCA, the Applicant/Sub-application **MUST** provide a copy of each page of the actual analysis used, whether the BCA was performed using FEMA software or a pre-approved alternative methodology. **An electronic version of the BCA MUST be provided in Microsoft Excel as well.** BCA cover pages or summary reports will NOT constitute submission of a complete BCA. **Project sub-applications without a complete BCA will be removed from consideration.**

Project sub-applications that do not include appropriate documentation to support the submitted BCAs will be considered incomplete and will be removed from consideration. The documentation must support figures, assumptions, data derivation and calculation methods used in the BCA. Sub-applications **MUST** include full and credible documentation, which:

- Clearly explains the data used in the analysis, including the source;
- Explains reasons and sources of information for the use of non-default values in the BCA;
- Is well organized; and
- Provides references to the appropriate parts of the analysis.

Project sub-applications should include surveys, copies of elevation certificates, copies of appropriate sections of Flood Insurance Studies (FIS) and FIRM, copies of relevant supporting information from Engineering reports and other documentation to support figures used in their BCAs. A good rule of thumb to observe is that a subject matter expert should be able to calculate the BCA based upon the information provided in the sub-application without any additional explanation.

The credibility of data sources also is extremely important. FEMA recommends obtaining information from published technical sources, in particular engineering studies such as FISs and technical web sites such as those operated by the USGS, NOAA, and a range of academic organizations and state agencies and including this information with the project sub-application. Professional licensure is strongly preferred in all cases (*e.g.*, a licensed structural engineer to provide fragility curves for an earthquake mitigation project). In addition, data from FEMA software and default values from FEMA BCA guidance located on the Mitigation BCA Toolkit CD (see Section 6, Technical Assistance) will be accepted as completely credible, when software is used correctly and documentation is provided.

5.7. ENVIRONMENTAL/HISTORIC PRESERVATION COMPLIANCE

Applicants/Sub-applicants are required to provide information to support FEMA's environmental and historic preservation compliance process. The purpose of this information is:

It helps an Applicant/Sub-applicant understand the compliance requirements for the proposed project and how in meeting some of those requirements, the overall design and cost of the project may be affected;

This information helps the reviewers and evaluators determine how well the Applicant/Sub-applicant understands these issues and has addressed them in the project design, and;

If the project is selected, this information can be helpful in expediting the actual environmental and historic preservation compliance process that FEMA must complete before final approval and funding of the project.

Funds will NOT be awarded and the Applicant/Sub-applicant may NOT initiate the project until FEMA has completed its review.

The following list identifies a few examples of the many laws and Executive Orders for which Federal review is required:

- National Environmental Policy Act (NEPA);
- National Historic Preservation Act (NHPA);
- Endangered Species Act (ESA);
- Executive Orders on Wetlands, Floodplains, and Environmental Justice.

5.7.1. ENVIRONMENTAL/HISTORIC PRESERVATION QUESTIONS

An accurate and thorough SOW provides crucial information to FEMA when undertaking environmental/historic preservation review (see Section 5.4, Scope of Work). In addition to the information provided in the SOW, Applicants/Sub-applicants must answer a series of environmental/historic preservation questions in the project sub-application to provide information about potential environmental resources and/or historic properties in the project area and potential impacts to those resources.

If the potential resources are identified, the Applicant/Sub-applicant **MUST** provide the following information in order for the project sub-application to be considered complete as well as the source and date for all information provided:

- The property address and original date of construction for any buildings or structures that are 50 years or more in age;
- Any identified Federally listed threatened or endangered species and its designated critical habitat in the project area;
- Vegetation, including amount (area), type, and extent to be removed or affected;
- Identification of all water bodies in the project area regardless of whether the Applicant/Sub-applicant thinks there may be an effect. Information about the water bodies should include their dimensions, proximity of the project activity to the water bodies, and the expected and possible changes to the water bodies, if any; and,
- Description of any disproportionate or adverse effects on low or minority populations in the project area.

FEMA will review the completeness of the responses to the questions in the Environmental/Historic Preservation section of the project sub-application and supporting documentation. **Project sub-applications that do NOT include the basic required information will be removed from consideration** (see Section 5.10.1, FEMA Review).

FEMA will use the information provided in the SOW, Cost Estimate, and Environmental and Historic Preservation sections of the project sub-application to perform an Environmental Technical Review of the proposed projects (see Section 5.10.1.3, Environmental and Historic Preservation Technical Review) . The Technical Review may identify issues that could affect the determination of feasibility (see Section 5.3.2, Feasibility/Effectiveness Requirement) of the project and the BCA (see Section 5.10.1.2, Benefit-Cost Technical Review).

To enhance competitiveness of project sub-applications and expedite the environmental approval process, FEMA strongly encourages the Applicant/Sub-applicant to:

- Work with Federal and state resource agencies to begin collecting information about potential environmental or historic preservation impacts from the proposed project and provide any documentation from the resource agency;
- Evaluate if any identified environmental or historic preservation impacts could affect the overall project feasibility or if project alternatives or changes to the design, scope or location of the project may be required to minimize potential adverse impacts;
- Determine if potential environmental mitigation or compliance measures, historic preservation treatment measures, or changes to the project to minimize adverse effects to environmental resources or historic properties may affect the overall project costs; and,
- Provide as much supporting documentation as available at the time of the sub-application submission, including clearly labeled maps, diagrams, photographs, or letters/documentation from resource agencies.

5.7.2. CONDITIONS FOR THE AWARD OF FUNDS

For mitigation project sub-applications selected for further review, FEMA will complete the environmental/historic preservation review with the assistance of both the Applicant and the Sub-applicant as part of its Pre-award Activities (see Section 5.11, FEMA Pre-award Activities). Environmental mitigation measures or historic preservation treatment measures may be required as conditions of the grant award to avoid, minimize or compensate for adverse effects caused by the project. These conditions may include a broad range of potential environmental mitigation measures or treatment measures that result from FEMA's consultation with the appropriate Federal or state resource agency. Depending on the type of property or resource affected and the scope of the project, the environmental mitigation or treatment measures may be minimal or extensive.

It may be possible for the Applicant/Sub-applicant to avoid or minimize adverse effects by revising the SOW. This revision should be done prior to the submission of the project sub-application, since FEMA will not consider changes to the SOW between the application deadline and the completion of the selection and award process (see Section 5.4, Scope of Work). The Applicant/Sub-applicant should explain in the revised SOW how any identified impacts to environmental resources and/or historic properties will be addressed.

The Applicant/Sub-applicant should ensure to the best of their ability that costs of any conditions of the award to address potential adverse impacts are realistically reflected in the Cost Estimate (see Section 5.5, Cost Estimate). The Applicant/Sub-applicant is encouraged to provide an explanation of how the Cost Estimate was developed to include costs associated with anticipated environmental/historic preservation mitigation measures, treatment measures. All such costs identified through the review and consultation process may be cost shared if included as part of the project sub-application Cost Estimate.

The amount of the Federal share will NOT be increased to cover any additional costs identified after the application deadline. If the estimated additional costs of the environmental mitigation or treatment measures exceed the Cost Estimate submitted, the Applicant /Sub-applicant may accept the sub-grant award and pay the additional costs or decide not to accept the sub-grant award.

FEMA may rescind the sub-grant if any conditions of the award are not implemented as agreed upon or if the Applicant/Sub-applicant initiates the project prior to FEMA's completion of the environmental/historic preservation review. FEMA and the Applicant should complete the environmental/historic preservation review within nine months of selection or the project sub-application may not be awarded.

5.8. EVALUATION INFORMATION

The Evaluation Information section of the project sub-application is **required** for the PDM grant program. Response to questions in this section will be used to support competitiveness in both the National Ranking and Evaluation processes (see Section 5.10.2, National Ranking and 5.10.3, National Evaluation). Therefore, responses for each question are required, even if the information is provided in another section of the project sub-application.

The Applicant may be better able to address the following questions than the Sub-applicant:

- How does this mitigation activity comply with Federal laws and Executive Orders, and how is it complementary to other Federal programs? What is the Benefit-Cost Ratio for the entire project (*i.e.*, What is the Net Present Value of Project Benefits divided by the Total Project Cost Estimate)? The Benefit-Cost Analysis **MUST** be provided with the project sub-application (see Section 5.6, Cost Effectiveness).
- Analysis Type; and,
- What is the primary hazard data used for the BCA?

However, if the Sub-applicant responds to these questions, the Applicant should review the information before submitting the project sub-application.

5.9. PROJECT SUB-APPLICATION CHECKLIST

Mitigation project sub-applications **MUST** include the following to be eligible for consideration under the PDM program:

1. **Applicant Information:** Provide name, type, and location of the Sub-applicant (for states/Indian tribes, this may be the same as the Applicant), State and Federal tax numbers, and Federal Employer Identification Number;
2. **Contact Information:** Provide the name, agency, and address for the point of contact for the project sub-application;
3. **Sub-application Name:** Applicants should verify that the sub-application name includes the location of the proposed activity and the activity type.
4. **Community Information:** Select the name of the community or entity (*e.g.*, Indian tribe, college, university) that will benefit from the project sub-application. If the community or entity is not listed, please advise the FEMA Regional Office (see Section 2.14, Regional Contact Information). Provide a Community Profile with a brief description of the community to include population, location, any geographic areas of interest, description of critical facilities of a national, statewide, or regional significance (*e.g.*, military bases, hydroelectric dams), a synopsis and history of hazards affecting the community, and other applicable information that will clarify the need for the mitigation project;
5. **Mitigation Plan Information:** Indicate whether the local entity that will benefit from the project sub-application is covered by a FEMA-approved Tribal/local hazard mitigation plan and whether the state/Indian tribe/territory is covered by a FEMA-approved State/Tribal Standard or Enhanced hazard mitigation plan and describe how the proposed project aligns with the goals, objectives, and priorities identified in the existing State/Tribal hazard mitigation plan. Provide reference to planning documents (*i.e.*, section and page number);
6. **Mitigation Activity Information:** Indicate the type and title of the proposed project, and whether construction is involved;
7. **Hazard Information:** Identify the hazard to be mitigated by the project and the location and dimensions (*i.e.*, area, volume, depth) of the project, including project site location on at least a 1:24,000 scale U.S. Geological Survey (USGS) topographic map, photographs showing the project site, sketches, and/or drawings showing the project site (*e.g.*, appropriate sections of FIRM);

8. **Scope of Work:** Describe the objectives, methodology, feasibility, outcomes, timeline, milestones, resources, deliverables, and benefits of as well as reasons for the proposed project, including work schedule/tasks for each activity and who will complete each task (See Section 5.4, Scope of Work);
9. **Properties:** Provide a list of properties (and alternative properties) to be mitigated. The property information history must include owner name, address, latitude and longitude (see Section 5.3, Mitigation Project Requirements), type of structure, hazard to be mitigated, damage category, year built, flood zone designation, NFIP repetitive loss number (if applicable), property action, and property Benefit-Cost Analysis information;
10. **Decision Making Process:** Identify alternatives considered to address the hazard prior to deciding upon the proposed project and describe the process used to determine that the proposed project is the best alternative to solve the identified problem and the reasons the alternatives were not selected;
11. **Cost Estimate:** Provide all anticipated and potential costs for each proposed project activity, including Federal and non-Federal shares (see Section 5.5, Cost Estimate). Provide an Approved Indirect Cost Agreement, if applicable;
12. **Match Sources:** Provide the non-Federal cost share for the proposed activity, including documentation to support the non-Federal cost share and Sub-applicant status as a small, impoverished community, if appropriate, for Federal cost share of up to 90 percent (see Section 2.7, Cost Share Requirements);
13. **Cost-Effectiveness Information:** Provide complete BCA and documentation, including damage history, methodology used for the event frequency determination, and all BCAs to support the project Benefit-Cost Ratio (see Section 5.6, Cost Effectiveness);
14. **Environmental/Historic Preservation:** Provide complete responses to established Environmental/Historic Preservation questions, and complete environmental/historic documentation (see Section 5.7, Environmental/Historic Preservation Compliance);
15. **Maintenance Schedule:** Provide a maintenance schedule, including cost information, and identify the entity that will perform long-term maintenance (see Section 5.3.8, Project Maintenance);
16. **Evaluation Information:** Provide responses to the questions for each sub-application for competitive National Ranking and Evaluation, including documentation for the BCA (see Section 5.8, Evaluation Information); and,
17. **Assurances and Certifications:** If applicable in your Applicant state/Indian tribe/territory, complete the Summary Sheet for Assurances and Certification, FEMA Form 20-16; Assurances - Non-Construction Programs, FEMA Form 20-16A; Assurances - Construction Programs, FEMA Form 20-16B; Certification Regarding Lobbying; Debarment, Suspension and Other Responsible Matters; and Drug-Free Workplace Requirements, FEMA Form 20-16C; and, Disclosure of Lobbying Activities, Standard Form LLL.

5.10. FEMA REVIEW, NATIONAL RANKING AND NATIONAL EVALUATION

5.10.1. FEMA REVIEW

FEMA will review all project sub-applications to ensure the following:

- Eligibility of the Applicants/Sub-applicants (see Section 2.3, Grant Program Eligibility);

- Eligibility of proposed activities and costs (see Section 5.1, Eligible Mitigation Project Activities);
- Completeness of the sub-application (See Section 5.9, Project Sub-application Checklist);
- Completeness of Scope of Work (see Section 5.4, Scope of Work);
- Completeness of the Cost Estimate and consistency with the Scope of Work (see Section 5.5, Cost Estimate);
- Eligibility and availability of non-Federal cost share (see Section 2.7, Cost Share Requirements);
- State/Tribal, local, and/or university planning requirements are met (see Section 5.3, Mitigation Project Requirements);
- Consistency of mitigation projects with the Applicant's State/Tribal hazard mitigation plan and local/Tribal or university hazard mitigation plan;
- Feasibility and effectiveness of mitigation projects, including complete supporting documentation (see Section 5.3.2, Feasibility/Effectiveness Requirement);
- Benefit-cost ratio of 1.0 or greater for the proposed mitigation project;
- Technical accuracy, complete supporting documentation, and source credibility of the BCA (see Section 5.6, Cost Effectiveness);
- Complete responses to the Environmental/Historic Preservation Questions and supporting documentation and inclusion of appropriate environmental mitigation measure and historic property treatment measures in the Cost Estimate (see Section 5.7, Environmental/Historic Preservation Compliance); and,
- Complete responses to Evaluation Information section questions for National Ranking and Evaluation, including the BCA (see Section 5.8, Evaluation Information).

Project sub-applications that do not satisfy the eligibility and completeness requirements will be removed from further consideration.

5.10.1.1. ENGINEERING TECHNICAL REVIEW

FEMA will determine both feasibility and effectiveness of all eligible mitigation projects. Given the technical nature of mitigation projects, FEMA will convene an Engineering Technical Review panel of subject matter experts to conduct a comprehensive review. The Technical Review will be based solely on the information provided in the project sub-application, including the SOW and Cost Estimate sections, as well as any supporting documentation. FEMA will not contact Applicants or Sub-applicants to request additional information or clarification on documentation in the sub-application during the FEMA Review. **Project sub-applications that do not include appropriate documentation to support the determination of feasibility and effectiveness will be less competitive, or in some cases may be deemed completely inadequate and removed from consideration.**

The Technical Review panel will evaluate project sub-applications relative to the following three categories to determine a Feasibility Factor:

- Conformance to accepted engineering practices (codes, standards, modeling techniques, or best practices) and work schedule, as described in the SOW;
- Effectiveness at mitigating the hazard(s) for which the project was designed; and,

- Accuracy of the cost estimate.

The Feasibility Factor is a critical component in the National Ranking (see Section 5.10.2, National Ranking). The Engineering Technical Review may identify issues that could affect the outcome of the project. Project sub-applications providing adequate documentation to support feasibility, proposed costs, and mitigation effectiveness will be rated higher than those that are incomplete or do not substantiate their feasibility or effectiveness. **FEMA reserves the right to eliminate project sub-applications that are determined not to be feasible and/or effective at mitigating the hazard(s) for which the project was designed.**

5.10.1.2. BENEFIT-COST TECHNICAL REVIEW

Given the technical nature of the BCA, FEMA will convene a Benefit-Cost Technical Review panel of subject matter experts to conduct a detailed and comprehensive review of the BCAs for all mitigation projects. The Benefit-Cost Technical Review will be based solely on the documentation provided in the project sub-application. FEMA will not contact Applicants or Sub-applicants to request additional information or clarification on BCA documentation in the sub-application during the FEMA Review.

FEMA has developed a review methodology based on a series of key data points related to FEMA's BCA software that have a significant influence on the outcome of the analysis. The technical review process will focus on the data that have the greatest impact on the BCR. Reviewers will determine the reasonableness, credibility, and accuracy of all BCAs by reviewing each data point of the BCA in three key areas:

1. Technical Accuracy

FEMA has established a series of review criteria for each combination of hazard and analysis type (engineering data or frequency-damage). The key data points of greatest influence differ depending upon the hazard being addressed and the chosen methodology. The BCA review methodology associates higher weight to data points of greater importance.

2. Supporting Documentation

Every data point in the BCA should be clearly documented and included in the project application. Deviations from standard procedures, guidance, techniques, or FEMA default values should be thoroughly explained and documented. The BCA review methodology associates higher scores to better documentation of data derivation methods and assumptions in the project application. Projects not adequately documented will be less competitive, or in some cases may be deemed completely inadequate and removed from consideration.

3. Source Credibility

The more technical the data and the more it influences the outcome of the BCA, the more emphasis the Benefit-Cost Technical Review panel will place on the credibility of its source. Data used in the BCA should be from a reliable source (*i.e.*, licensed engineer, architect, or appropriate local official).

BCAs that are technically correct and thoroughly documented will be validated and the BCR incorporated directly into the National Ranking (see Section 5.10.2, National Ranking). However, when insufficient or conflicting information is provided in the project sub-application, the Benefit-Cost Technical Review panel may prepare a new, technically correct and defensible BCA(s) to calculate a BCR for the project for use in the National Ranking. The panel will prepare new BCA(s) as follows:

- Resolve conflicting information between the application, support data, and BCAs;
- Correct user input errors in the BCA(s);
- Use FEMA default values in the BCA(s) instead of “User-defined” values not substantiated in the sub-application;
- Include all documented project and maintenance costs in the BCA(s);
- Use data in the sub-application that was not included in the Sub-applicant’s BCA(s) to improve the accuracy of the BCAs; and,
- Remove unsubstantiated benefits from the BCA(s).

Projects with BCRs determined by the Benefit-Cost Technical Review panel as less than 1.0 will be removed from consideration. Projects where BCAs are inadequately documented or where critical data or sources appear unreasonable will be less competitive, or in some cases may be deemed completely inadequate and removed from consideration.

5.10.1.3. ENVIRONMENTAL AND HISTORIC PRESERVATION TECHNICAL REVIEW

FEMA will use the information provided in the project sub-application, including the SOW and Cost Estimate and Environmental/Historic Preservation sections, to perform an Environmental/Historic Preservation Technical Review of projects.

The Environmental and Historic Preservation Technical Review will be based solely on the documentation provided in the project sub-application. FEMA will not contact Applicants or Sub-applicants to request additional information or clarification on documentation in the sub-application during the FEMA Review.

The Environmental/Historic Preservation Technical Review may identify issues that could affect the engineering feasibility in the National Ranking and Evaluation processes (see Sections 5.10.2. and 5.10.3, National Ranking and National Evaluation).

5.10.2. NATIONAL RANKING

FEMA will score all eligible mitigation project sub-applications on the basis of predetermined, objective, quantitative factors to calculate a National Ranking Score (see Section 2.8.2, National Ranking). Ranking factors for mitigation projects and the respective weighting of each in the National Ranking are:

1. The priority rank given to the sub-application by the Applicant in their PDM grant application (see Section 2.6.4, Grant Application Checklist) (35 percent);
2. BCR by hazard based on FEMA’s Benefit-Cost Technical Review (see Section 5.10.1.2, Benefit-Cost Technical Review) (15 percent);
3. Feasibility Factor based on FEMA’s Engineering Technical Review (see Section 5.10.1.1, Engineering Technical Review) (10 percent);

4. Whether the Applicant has a FEMA-approved Enhanced State/Tribal mitigation plan by the application deadline (10 percent);
5. Whether the Sub-applicant has a FEMA-approved local mitigation plan by the application deadline (10 percent);
6. Whether the project protects critical facilities (as defined in Section 5.1, Eligible Mitigation Project Activities) (5 percent);
7. The percent of the population benefiting, which equals the number of individuals directly benefiting divided by the community population (5 percent);
8. Community mitigation factors, including Community Rating System class, Cooperating Technical Partner, participation as a Firewise Community, adoption and enforcement of codes including the International Code Series and National Fire Protection Association 5000 Code, as measured by the Building Code Effectiveness Grading Schedule (5 percent); and,
9. The status of Applicant/Sub-applicant as a small, impoverished community (as defined in Section 2.7.1, Small, Impoverished Communities) (5 percent).

5.10.3. NATIONAL EVALUATION

National panels will convene to evaluate project sub-applications forwarded from the National Ranking on the basis of predetermined qualitative factors to determine a National Evaluation Score for each project sub-application (see Section 2.8.3, National Evaluation). Evaluation factors for mitigation projects and the respective weighting of each in the National Evaluation are:

1. Strategy for completing the proposed mitigation project (25 percent);
2. Sufficient staff and resources for implementation of the proposed mitigation project (20 percent);
3. Viability of the proposed mitigation project (20 percent);
4. Durability of the financial and social benefits that will be achieved through the proposed mitigation project (15 percent);
5. Identification of appropriate and useful performance measures to assure the success of the proposed mitigation project (5 percent);
6. Protection of critical facilities (as defined in Section 5.1, Eligible Mitigation Project Activities) (5 percent);
7. Leveraging of Federal/State/Tribal/territorial/local/private partnerships to enhance the outcome of the proposed mitigation project (5 percent); and,
8. Inclusion of outreach activities appropriate to the proposed mitigation project (*e.g.*, signs, press releases, success stories, losses avoided analysis) that advance mitigation and/or serves as a model for other communities (5 percent).

5.11. FEMA PRE-AWARD ACTIVITIES

FEMA Regional Offices will work with Applicants who have project sub-applications selected for further review to implement required pre-award activities prior to grant award (see Section 2.9.2, FEMA Pre-award Activities). FEMA may, at its discretion, request information or documentation from Applicants to resolve outstanding administrative or procedural requirements as part of its pre-award activities.

5.11.1. PROPERTY ACQUISITION AND RELOCATION REQUIREMENTS

For property acquisition and relocation projects, the Applicant's signed agreement of assurances with the Sub-applicant regarding open space, including deed restrictions, must be provided to FEMA prior to award as well as the signed statements of voluntary participation. Open space acquisition projects without these formal assurances will NOT be funded by the PDM program (see Section 5.3, Mitigation Project Requirements).

5.11.2. SPECIAL FLOOD HAZARD AREA REQUIREMENTS

For projects related to improving structures sited in SFHAs, FEMA will verify that participating property owners obtain flood insurance on the property and request assurance that flood insurance is maintained for the life of the property prior to award. Signed notices of the conditions for receiving FEMA grant funds for projects in a SFHA (available on the FEMA website: www.fema.gov/fima/pdm) must be provided to FEMA prior to award. Properties that do not meet these requirements will NOT be eligible to receive assistance under the PDM program (see Section 5.3, Mitigation Project Requirements).

5.11.3. GEOCODING REQUIREMENTS

Geocoding information must be provided to FEMA prior to award for all project sub-applications (see Section 2.3.3, Program Requirements). FEMA will work with Applicants to ensure that geocoding information is provided, including individual property information on properties mitigated, and project sites for mitigation activities such as stormwater management, road and bridge improvement, critical facility protection, and flood control projects (see Section 5.3, Mitigation Project Requirements).

5.11.4. PROJECT MAINTENANCE

A maintenance plan that identifies the maintenance tasks and budget, and identifies the entity that will perform long-term maintenance must be provided to FEMA prior to award.

5.11.5. TECHNICAL REVIEW REQUIREMENTS

For projects selected for further review, FEMA may request additional information from the Applicant or Sub-applicant to resolve issues identified during the FEMA Technical Review (see Section 5.10.1, FEMA Review). The Applicant or Sub-applicant will have to determine whether to accept the grant award and pay any additional costs required to obtain the required information or to withdraw the project sub-application.

5.11.6. ENVIRONMENTAL AND HISTORIC PRESERVATION COMPLIANCE REQUIREMENTS

FEMA will complete the environmental/historic preservation compliance review for projects selected for further review as part of pre-award activities. **Funds will NOT be awarded and the project can NOT be initiated until FEMA has completed the environmental/historic preservation review.** Certain projects are of a nature that environmental/historic review can be accomplished with the information provided in the sub-application. For those projects, the Applicant will not be contacted for further environmental/historic preservation information. Other projects will require some additional review, and a few will need extensive review. FEMA will often request that the Applicant and Sub-applicant work with FEMA in the review process.

FEMA will notify the Applicant if FEMA determines that certain environmental mitigation measures or historic property treatment measures are required to address the environmental/historic impacts of a proposed project. The Applicant or Sub-applicant will then have to determine whether to accept the grant award and pay any additional costs of the remediation or treatment measures or withdraw the project sub-application. The amount of the Federal share for a project sub-application will not be increased to cover any additional costs. It is, therefore, essential that Applicants and Sub-applicants include costs associated with any anticipated environmental/historic preservation mitigation measures or treatment measures in the Cost Estimate for the project (see Section 5.5, Cost Estimate). Expenses incurred by the Sub-applicant that are associated with eligible activities included in the Cost Estimate, occurring prior to award but after the PDM application period has opened, may be deemed as allowable pre-award costs and may be reimbursable once the project has been awarded (see Section 5.1.3, Pre-award Project Costs).

5.12. PERFORMANCE PERIOD

Mitigation project sub-grant performance periods are limited to three years (see Section 2.3.4, Program Restrictions). **Project sub-applications that propose a work schedule in excess of three years will not be accepted.** Mitigation projects must be completed before the end of the performance period. **If a project is not completed by the close of the performance period, FEMA will terminate the project sub-grant and any costs incurred after the sub-grant termination will not be reimbursed by FEMA.** Requests for extensions to the performance period will be considered but will not be approved automatically (see Section 2.12, Extensions).

5.13. UPDATING REPETITIVE LOSS DATABASE FOR MITIGATED PROPERTIES

In order to maintain accurate, up-to-date records of all repetitive loss properties mitigated as a result of PDM project grants, FEMA requires the submission of Form AW-501, *NFIP Repetitive Loss Update Worksheet* (OMB #1660-0022). Typically, this form is completed by the State or community, but may be completed by a FEMA Region with appropriate documentation that shows any changes in the status of a property (*e.g.*, elevation certificate). This form, along with the transmittal sheet or other document signed by an authorized community official, must be submitted for each repetitive loss property mitigated with PDM funds prior to closeout. Form AW-501 and instructions for completing and submitting the Form are available on FEMA's website: <http://www.fema.gov/fima/fma.shtm> or from the Regional Office (see Section 2.14, Regional Contact Information).

SECTION 6. TECHNICAL ASSISTANCE

After the application period has officially opened, FEMA will provide technical assistance to both Applicants and Sub-applicants by answering general questions about the PDM program as well as providing general technical assistance related to planning and project sub-applications. FEMA will also provide technical assistance regarding the application process and the eGrants system. FEMA encourages Applicants and Sub-applicants to seek technical assistance early in the application period by contacting their FEMA Regional Office (see Section 2.14, Regional Contact Information).

6.1. eGRANTS HELPDESK

After the application period has officially opened, FEMA will provide technical assistance to Applicants and Sub-applicants specific to the eGrants through the eGrants Helpdesk, which can be reached via phone: 1-866-476-0544 or e-mail: mtegrants@dhs.gov. Standard hours of operation are 9 a.m. to 5 p.m. Eastern Time. Hours may be extended during the application period.

6.2. PROJECT TECHNICAL ASSISTANCE

After the application period has officially opened, FEMA will provide general technical assistance to both Applicants and Sub-applicants related to project engineering feasibility and effectiveness, BCA, and Environmental/Historic Preservation compliance. However, in no case will technical assistance involve conducting a BCA, or reviewing project-specific information for completeness or technical feasibility.

6.2.1. ENGINEERING TECHNICAL ASSISTANCE

FEMA may provide technical assistance to Applicants and Sub-applicants regarding the level of documentation and the types of information that FEMA will need to adequately review the feasibility and effectiveness of proposed mitigation projects. In addition, FEMA may provide technical assistance to Applicants and Sub-applicants regarding the completeness and accuracy of project cost estimating for engineering costs.

To assist Applicants and Sub-applicants with the documentation of their proposed projects, FEMA has prepared Sample Engineering Case Studies. These case studies provide examples of the information needed for proposed mitigation projects. The case studies include general information that should be included in the application and highlight the importance of the Scope of Work and Cost Estimate sections of the project sub-application as they relate to documentation for the engineering review. The case studies are not sample applications and should only be used as guidance. The case studies are available on FEMA's PDM web page: <http://www.fema.gov/fima/pdm> or from the Regional Offices (see Section 2.14, Regional Contact Information).

FEMA has developed procedures to assist Applicants applying for funding under FEMA's mitigation grant programs for five common flood project types. The purpose of these documents is to provide guidance to Applicants and Sub-applicants regarding collection of the administrative and technical data that FEMA requires. The Procedures for Developing Scopes of Work may be downloaded from the FEMA website: www.fema.gov/fima/pdm.

In addition, a Help Module will be available to assist Applicants and Sub-applicants with developing the SOW, Work Schedule, and Cost Estimate for project sub-applications. The Help Module will provide interactive and dynamic, context-sensitive help and resources throughout the development of a project application. The Help Module is linked to various sections of the project sub-application in the *eGrants* system as well as to the PDM web page: <http://www.fema.gov/fima/pdm>.

6.2.2. BENEFIT-COST ANALYSIS TECHNICAL ASSISTANCE

FEMA has prepared a Mitigation BCA Toolkit CD. This CD includes all of the FEMA BCA software, technical manuals, BCA training courses, and other supporting documentation. Applicants and Sub-applicants may obtain the FEMA Mitigation BCA Toolkit CD free from FEMA by contacting the Technical Assistance Helpline (see Section 6.2.4, Project Technical Assistance Helplines) or the applicable FEMA Regional Office (see Section 2.14, Regional Contact Information.).

While FEMA will provide technical assistance on the BCA data needs and documentation requirements, FEMA will not input data and/or run the BCA modules for Applicants or Sub-applicants. The BCA technical assistance provided to potential Applicants and Sub-applicants may cover:

- Use of the FEMA Mitigation BCA Toolkit CD;
- Use of the BCA Data Documentation Templates found on the Toolkit CD;
- Proper use of the BCA modules, procedures, and methodologies;
- How to handle aggregate project BCA for multiple properties and methodologies; and,
- How to prepare detailed Cost Estimates.

6.2.3. ENVIRONMENTAL/HISTORIC PRESERVATION TECHNICAL ASSISTANCE

The Applicant and Sub-applicant may find specific guidance on completing the Environmental/Historic Preservation questions in the Environmental/Historic Preservation Information section of the project sub-application linked to this section in the *eGrants* system as well as on FEMA's website at <http://www.fema.gov/ehp/slt.shtm>.

In addition, a Help Module is available to assist Applicants and Sub-applicants with answering the Environmental/Historic Preservation questions and provides interactive and dynamic, context-sensitive help, instructions, and resources for each of the parts of the Environmental/Historic Preservation Information section of the project sub-application. The Help Module also highlights Environmental/Historic Preservation considerations that may need to be addressed in other parts of the project sub-application, such as the Scope of Work and Cost Estimate. The Help Module is linked directly to the Environmental/Historic Preservation Information section of the project sub-application in the *eGrants* system as well as to the PDM web page: <http://www.fema.gov/fima/pdm>.

FEMA also offers training related to Environmental and Historic Preservation online through the National Emergency Training Center Virtual Campus. This interactive, computer-based,

independent study course is designed to provide the user with the basic background and practical knowledge needed to participate in FEMA's Environmental and Historic Preservation Review process; help the user understand how the Environmental/Historic Preservation Review process applies to various projects proposed under FEMA's programs; and, provide the resources necessary for the user to accomplish Environmental/Historic Preservation responsibilities. The course includes interactive knowledge checks, case studies, and resource materials. Please visit the FEMA website at <http://www.fema.gov/ehp/is253/index.shtm> for more information about the online course or contact your FEMA Regional Office (see Section 2.14, Regional Contact Information).

6.2.4. PROJECT TECHNICAL ASSISTANCE HELPLINES

FEMA established Technical Assistance Helplines to provide assistance to Applicants and Sub-applicants with engineering feasibility and effectiveness; BCA, including BCA software, technical manuals, and other BCA references; and Environmental/Historic Preservation compliance for project sub-applications. The Helplines can be reached via phone: 1-866-222-3580 or e-mail: enghelpline@dhs.gov; bchelpeline@dhs.gov; and ehhelpline@dhs.gov, respectively, and guarantee a 48-hour response time.